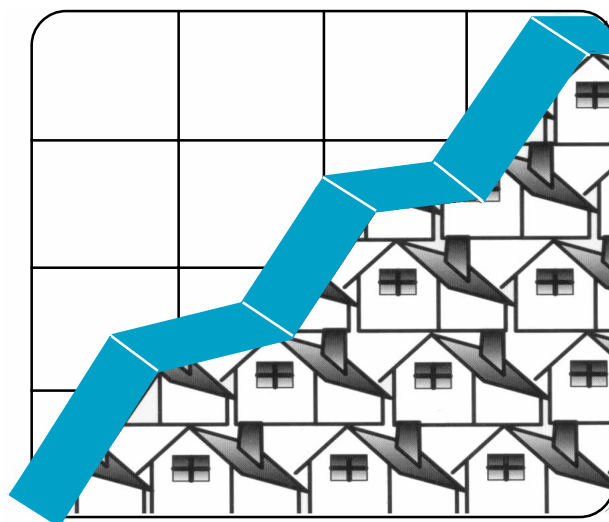


1997 SPRING

Alaska Housing Market Indicators



1997
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Editor's Note

The cost of safe, affordable housing continues to rise. Rising building costs, increasing economic activity, and scarcity of housing are making it progressively more difficult for low to moderate-income households to achieve homeownership. There is an increasing need for government and private-sector partnerships that foster development of affordable housing options. The Feature Article in this issue of *Alaska Housing Market Indicators* describes how one specific program, the AHFC GOAL program, is creating affordable housing development through government/private-sector partnerships.

In our attempt to provide the reader with a useful, but concise publication on the housing market in Alaska, we have removed the Historical Loan tables from *Section 1 - Results of the Quarterly Survey of Alaska Lenders*. The tables are still available to the reader, however, and can be accessed through AHFC's web site at www.ahfc.state.ak.us. Data tables from *Alaska Housing Market Indicators* are also available through AHFC's Web site, as are other tidbits of useful information. For more information on when specific housing market data will be available, consult the *Data Release Schedule* on the next page.

We are continually striving to make *Alaska Housing Market Indicators* a publication that you, the reader, can use. If you have any questions, comments, or ideas for future publications, please contact us. Your input is important. Please direct your correspondence to:

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Data Release Schedule

F

or updated data release dates, check our Internet web site: www.ahfc.state.ak.us/planning.htm. For any questions, call, write, or e-mail the editor (see previous page for addresses and phone numbers).

AHFC Quarterly Residential Portfolio/New Alaska Housing Units

• 1997 Third Quarter	45 days after quarter ends	Friday, November 14, 1997
• 1997 Fourth Quarter	45 days after quarter ends	Tuesday, February 17, 1998
• 1998 First Quarter	60 days after quarter ends	Friday, May 30, 1998
• 1998 Second Quarter	45 days after quarter ends	Friday, August 15, 1998

Multiple Listing Service Data

• 1997 Third Quarter	60 days after quarter ends	Friday, November 28, 1997
• 1997 Fourth Quarter	60 days after quarter ends	Monday, March 2, 1998
• 1998 First Quarter	60 days after quarter ends	Friday, May 30, 1998
• 1998 Second Quarter	60 days after quarter ends	Friday, August 29, 1998

Quarterly Survey of Alaska Lenders

• 1997 Third Quarter	81 days after quarter ends	Friday December 19, 1997
• 1997 Fourth Quarter	90 days after quarter ends	Tuesday, March 31, 1998
• 1998 First Quarter	81 days after quarter ends	Friday, June 20, 1998
• 1998 Second Quarter	81 days after quarter ends	Friday, September 19, 1998

Annual Rental Market Survey

• 1998 Second Quarter	Beginning of 3rd Qtr 1998	Tuesday, July 1, 1998
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Annual Construction Cost Survey

• 1998 First Quarter	Beginning of 2nd Qtr 1998	Wednesday, April 1, 1998
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Acknowledgment

We wish to thank the primary and secondary mortgage lenders listed below for responding to our quarterly survey of mortgage loan activity and for their willingness to continue to participate in future surveys. The list includes the major government and private providers of mortgage funds in Alaska. Some of the participants are primary mortgage lenders. That means they originate loans to keep in their own portfolios or to sell them to participants in the secondary mortgage market. Institutions such as Alaska Housing Finance Corporation and Federal National Mortgage Association (Fannie Mae) operate in the secondary mortgage market, purchasing mortgages originated by primary lenders. Secondary mortgage activity is an important source of liquidity for mortgage lending. Although primary lenders and secondary purchasers differ, both provide financing for Alaskans to buy homes. For the purposes of this report, maintaining the distinction is not particularly important. Therefore, occasionally, there will be a reference to “lenders” or to “other lenders,” some of which are primary lenders and some secondary purchasers. Unless the difference is critical to the discussion, no distinctions are made.

Alaska Federal Savings and Loan
Alaska Housing Finance Corporation
City Mortgage
Denali State Bank
Federal National Mortgage Association
First Bank of Ketchikan
First National Bank of Anchorage
Key Bank of Alaska
Mt. McKinley Mutual Savings Bank
National Bank of Alaska
Northrim Bank
Rural Development (formerly USDA Farmers Home Administration)
Seattle Mortgage

Executive Summary

Housing Market Indicators

January-June 1997

Compared with January-June of 1996



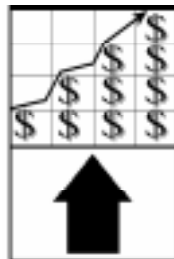
Mortgage Loan
Rates



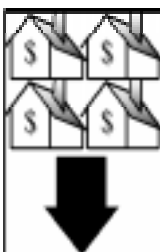
New Housing
Units
Authorized



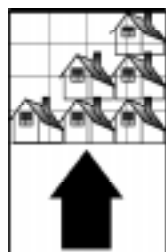
Home Prices



Wage and
Salary
Income



Dollar Volume
of Loans



Affordability
Index

Housing activity in the first half of 1997 generally reflected a stable market with moderate growth. While loan volume and total number of loans were not as robust as the prior half, they declined only slightly. Permitting activity experienced a strong half with total year-to-date permits exceeding those of the prior year. Affordability, however, inched downward. In comparison to the first half of 1996, interest rates and average sales prices increased only slightly, but at a level sufficient to outpace gains in monthly wage income.

Interest rates edged slightly higher in the first half of 1997 in comparison to the same period last year. Statewide, the overall average interest rate, weighted by dollar loan volume, rose from 7.69% in the first half of 1996 to 7.79%. Over time, however, interest rates continue to gradually trend downward.

The average sales price of a single-family home in Alaska continues to rise. Compared to the first half of 1996, the average cost of a single-family home rose from \$153,512 to \$157,461. Similar increases were reported on a national level where home prices appreciated 3.9%—an increase attributed largely to higher wholesale prices for construction materials. In a year-to-year analysis of average sales prices, the trend is generally upward.

Average gross monthly wages continue to trend higher, although slowly. In the first half of 1997, average monthly wages rose less than 1%. Statewide wages averaged \$2,678, up from \$2,662 in the same period last year.

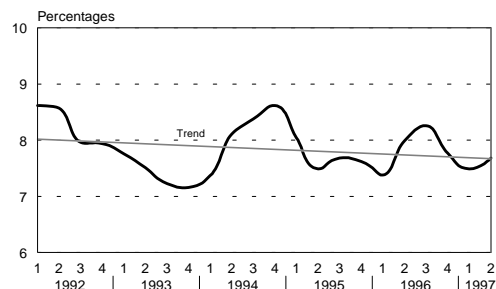
After adjusting for inflation, however, “real” wages continue to trend downward. The purchasing power of Alaska wages dropped almost 12% since 1988. This decline is attributed to numerous factors, including slow employment growth and loss of high wage jobs.

Increases in interest rates and sales prices could not be offset by meager gains in average monthly wages. Consequently, the affordability index continued its upward movement. In the first half of 1997, the affordability index rose to 1.50 from 1.45 compared to the same period last year. This means that to qualify for a 30 year, single-family home mortgage with 15% down and an interest rate of 7.80%, households would need one-and-a-half earners receiving the average monthly wage.

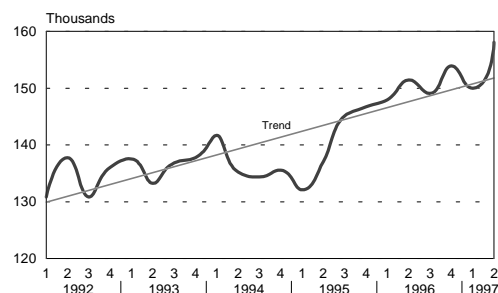
Total dollar volume of loans continued a very slow, but downward movement. The trend, however, is flattening. Loan volume continues to fluctuate; however, the variance from quarter to quarter continues to decrease.

Compared to the prior year first half, total loan volume fell 8.3% from \$564.6 million to \$517.6 million in 1997. Total number of loans decreased 10.8% from 4,578 in the prior year’s first half to 4,085 in the 1997 period. Increases in interest rates, rising sales prices, and a slow-growing economy may have discouraged homebuyers and quelled demand for housing.

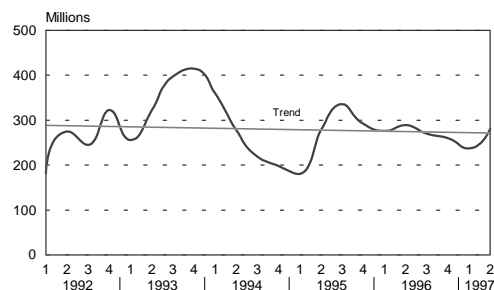
Interest Rate



Average Sales Price

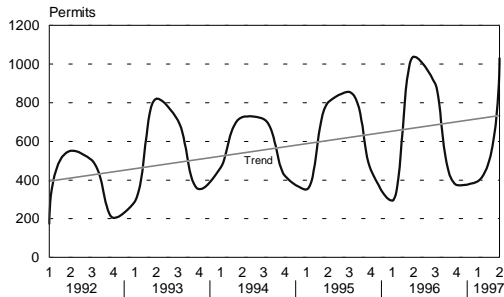


Dollar Volume of Loans



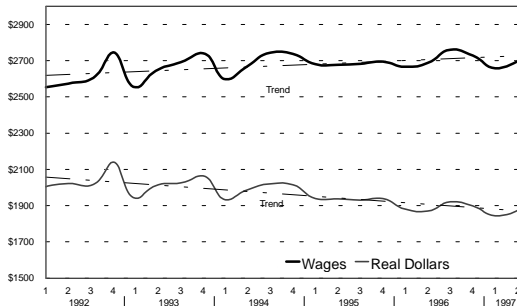
Source: Alaska Department of Labor, Research and Analysis Section.

New Housing Units



Total statewide permit issuance in the first half of 1997 continue a variable, yet increasing, trend. The total number of new housing units authorized was greater in 1997 than 1996, with 1,424 permits compared to 1,331. Significant expansion was reported in Anchorage, Mat-Su, and Fairbanks. Decreases were reported in Juneau and Fairbanks.

Wages

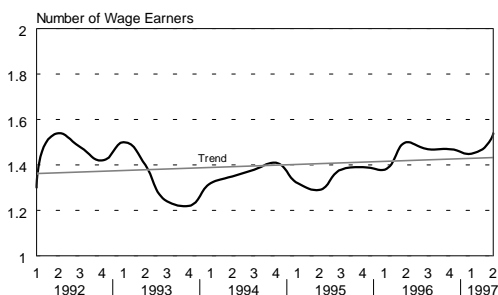


Note: "Real Wages" are wages that are adjusted for the Consumer Price Index - A Measure of Inflation

The results of the Annual Rental Survey are published in this issue. The results on a statewide basis show the rental market tightening, with vacancy rates decreasing from 7.0% to 6.0%. Most areas of the state reported increases in contract rent, except Anchorage which reported a decrease.

Economists are forecasting slow economic growth in Alaska for the rest of 1997. The housing market will likely reflect these conditions, remaining stable through the remainder of 1997. Major concerns are escalating home prices, increasing interest rates, and the flattening of wages. These factors will affect affordability and make it harder for low-income borrowers to become homeowners.

Affordability Index



Note: The **Affordability Index** is the number of earners needed to qualify for an 85% mortgage. Contrary to other common indexes, this one decreases when affordability improves and increases when affordability declines. Therefore, a **smaller affordability index or a decrease is always more favorable to buyers.**

Source: Alaska Department of Labor, Research and Analysis Section.

The Alaska Housing Finance Corporation develops and maintains key programs that promote affordable housing, particularly for low-income families. These programs have a substantial impact upon Alaska. Through the process of creating affordable housing, AHFC stimulates local economic growth and community development.

Affordable Rental Housing Development: Highlight on AHFC's GOAL Program

by Jeff Judd

In the 1996 Fall Edition of *Alaska Housing Market Indicators*, AHFC reported on “Affordable Housing: Need and Economic Impact.” The report documented a growing crisis in housing. While the population of the state continues to grow, housing development and rehabilitation lag behind. For example, from 1990 to 1995, the population of Alaska grew 13%, while housing stock grew only 5% during the same period. The disparity between housing development and growth exemplifies the need for private and public-sector partnerships that encourage affordable housing development. This focus article describes one very successful partnership between AHFC and the private sector that has leveraged federal and state dollars for housing development: the GOAL program.

Promoting Affordable Housing Through Partnerships

One way to promote affordable housing development is to provide financial incentives to the private sector. AHFC's GOAL (Greater Opportunities for Affordable Living) program is an example of this practice. The GOAL program encourages partnerships between AHFC and for-profit and non-profit housing developers. Through this program, AHFC provides development capital (gap funding) through grants, loans, and federal tax credits in exchange for certain occupancy restrictions (rent and income). An owner must restrict occupancy of a certain portion of the units in the project to persons whose income does not exceed 60% of the area median income (for a family of four, this value is \$35,160 in Anchorage; \$29,100 in Fairbanks; and \$37,920 in Juneau).

Since 1994, the GOAL program has facilitated the development of 908 housing units throughout 20 communities in Alaska.

The GOAL program combines three financial incentive programs into a single application and award process that reduces AHFC's and the applicant's administrative burden. The three programs are: 1. Federal tax credits authorized by the Internal Revenue Service under the Low-Income Housing Tax Credit (LIHTC) program; 2. Grant funds received from the Department of Housing and Urban Development (with AHFC matching funds) under the HOME Investment Partnerships program (HOME)and; 3. Senior Citizen's Housing Development Fund (SCHDF) grants funded by AHFC. The process allows AHFC to provide, within Alaska, one-stop-shopping for technical assistance on the development of affordable rental housing. The GOAL program has also reduced project completion time, chiefly because funding is awarded in one lump sum. GOAL has a timely fall funding round and a consistent rating plan used to evaluate project applications.

Recent Successes

Since 1994, the GOAL program has facilitated the development of 908 housing units throughout 20 communities in Alaska. Of these housing units, 234 are in rural Alaska and 345 are for senior citizens. Approximately \$33.5 million in GOAL funds have leveraged an additional \$56.9 million in housing funds in the past four years. The additional \$56.9 million in housing funds came from AHFC, the USDA Rural Housing Service, Federal Housing and Urban Development (HUD), local government contributions and the Federal Home Loan Bank.

GOAL Program Funding

Community Development Costs

July 1, 1993 – June 30, 1997

Table A

Location	Number of Projects	Senior Projects	Number of Rental Units	Development Cost
Anchorage	6	2	314	\$27,470,165
Angoon	1	1	6	\$1,459,622
Bethel	1	1	16	\$2,223,938
Cordova	1		22	\$2,268,991
Dillingham	1		24	\$3,831,168
Dutch Harbor	1	1	15	\$2,660,840
Fairbanks	4	2	70	\$8,138,052
Haines	1	1	14	\$1,323,150
Homer	2	1	41	\$4,800,166
Juneau	5		201	\$13,941,604
Kake	1		20	\$5,183,564
Kenai	1		1	\$74,250
Ketchikan	1		41	\$836,791
Kodiak	1	1	15	\$1,589,646
Nenana	1	1	15	\$3,068,600
Palmer	1	1	24	\$3,775,900
Soldotna	1		4	\$379,409
Valdez	1		20	\$2,420,635
Wasilla	2	1	25	\$2,409,674
Yakutat	1		20	\$2,648,622
Total:	34	13	908	\$90,504,787

Special Opportunities for Non-Profit Developers

One of the programs under the GOAL program, the Home Investment Partnership Program (HOME), encourages participation from Community Housing Development Organizations (CHDOs). A CHDO is a type of non-profit business under the HOME program, meeting certain management and organizational requirements. The non-profit must provide affordable and decent (safe, sanitary) housing to low-to-moderate-income individuals. The CHDO must also be accountable to low-income community residents (through representation), include resident input in development plans and management, and have a history of serving the community within which the housing is located.

Nonprofit organizations that meet the requirements of a “Community Housing Development Organization” designation, have access to HOME funds specifically restricted to CHDOs. The minimum annual amounts which AHFC must provide to CHDOs is \$562,500 (15% of AHFC’s annual HOME funds allocation). These funds may be provided to CHDOs only for the purpose of developing, sponsoring, or owning HOME-assisted housing.

Alaska’s four CHDOs have received a total of \$5.5 million in HOME funds during the past four years.

AHFC’s HOME program jurisdiction is the entire state outside of the Municipality of Anchorage. There are four recognized CHDOs within this area: Alaska Housing Development Corporation; Fairbanks Neighborhood Housing Services; Housing First, Inc.; and Tlingit-Haida Regional Housing Authority. Two more organizations, one on the Kenai Peninsula and the other in Northwest Alaska, are pursuing CHDO status.

Alaska’s four CHDOs have received a total of \$5.5 million in HOME funds during the past four years. This amount reflects almost two and a half times the minimum amount which is required (by HUD) to be provided to CHDOs, and approximately 37% of the state’s total HOME funds allocation. Since 1994, these four CHDOs have developed eight of the 34 state-wide rental projects (23.5%), which consist of 113 units of new construction and 96 rehabilitated units. These CHDOs have received \$8.6 million in GOAL program funding which has leveraged an additional \$10.8 million from other funding sources.

For more information regarding the GOAL program or CHDOs, contact Jeff Judd at (907) 330-8275, or if outside Anchorage, 1-800-478-2432.

Section 1

Results of the Quarterly Survey of Alaska Lenders

Loan Activity Declines In The First Half of 1997

Table 1-1 to 1-2

The affordability index rose in the first half of 1997, meaning that homebuyers had a more difficult time qualifying for a home mortgage. Contributing to the increase in the affordability index were rising home prices and interest rates. While wage income grew, it did not do so at a level sufficient to offset increases in home prices and interest rates. All of these factors together appear to have discouraged homebuyers. Consequently, the total number of loans issued and total loan volume decreased.

Total Loan Volume Fell

The total loan volume during the first half of 1997, when compared to the prior year first half, dropped 8.3%. In dollar figures, that means that volume fell from \$564.6 million to \$517.6 million.

- Compared to the prior year first half, single-family home loan volume declined 8.3% to \$500.8 million.
- Compared to the prior year first half, condominium home loan volume declined 9.2% to \$16.8 million.

Comparing the first half of 1996 to 1997, the total number of loans has declined 10.8% from 4578 to 4085. Total market value, which represents the sum of sales prices, has also decreased \$685 million to \$630 million.

Most areas of the state reported lower total loan volume in comparison to the prior year's first half. The greatest drops in loan volume were reported in Ketchikan (21.8%), Juneau (21.0%) and the Rest of State (20.7%). Gains were reported in Fairbanks (3.4%), Mat-Su (4.9%), and Kodiak (137.7%).

- The total number of condominium and single-family loans issued in the Ketchikan Borough declined from 106 to 82.
- Fairbanks total number of condominium and single-family loans issued declined from 468 to 442.
- In Kodiak the total number of condominium and single-family loans issued increased from 41 to 49 in comparison to the first quarter of 1996.

Single-Family Loan Activity Summary

Including AHFC, Selected Areas

2nd Quarter 1997

Table 1-1

Location	Number of Loans	Average Loan	Total Loans	Percent Loan Volume	Average Sales Price	Total Sales	Percent Total Market Value	<i>Note: Based on survey of 14 private and public mortgage lenders. Source: Alaska Department of Labor, Research and Analysis Section.</i>
Anchorage	1,088	\$138,102	\$150,254,680	57.0%	\$164,892	\$179,402,961	56.5%	
Mat-Su	197	\$111,073	\$21,881,292	8.3%	\$135,729	\$26,738,640	8.4%	
Fairbanks	275	\$120,553	\$33,152,159	12.6%	\$142,128	\$39,085,089	12.3%	
Kenai	113	\$104,126	\$11,766,182	4.5%	\$134,485	\$15,196,760	4.8%	
Juneau	120	\$162,164	\$19,459,717	7.4%	\$200,434	\$24,052,055	7.6%	
Ketchikan	44	\$146,396	\$6,441,421	2.4%	\$178,972	\$7,874,764	2.5%	
Rest of State	121	\$145,512	\$20,662,770	7.8%	\$176,472	\$25,058,986	7.9%	
Statewide Total	1,958	\$134,636	\$263,618,221	100.0%	\$162,109	\$317,409,255	100.0%	

Condominium Loan Activity Summary

Including AHFC, Selected Areas

Table 1-2

2nd Qtr 1997

Note: Based on survey of 14 private and public mortgage lenders.	Location	Number of Loans	Average Loan	Total Loans	Percent Loan Volume	Average Sales Price	Total Sales	Percent Total Market Value
Source: Alaska Department of Labor, Research and Analysis Section.	Anchorage	94	\$78,143	\$7,345,438	72.7%	\$98,287	\$9,238,936	74.3%
	Mat-Su	4	\$82,969	\$331,876	3.3%	\$91,808	\$367,230	3.0%
	Fairbanks	4	\$49,198	\$196,790	1.9%	\$56,820	\$227,279	1.8%
	Kenai	2	\$109,950	\$219,900	2.2%	\$134,000	\$268,000	2.2%
	Juneau	14	\$119,023	\$1,666,319	16.5%	\$136,099	\$1,905,385	15.3%
	Ketchikan	2	\$124,870	\$249,740	2.5%	\$130,000	\$260,000	2.1%
	Rest of State	1	\$100,000	\$100,000	1.0%	\$160,000	\$160,000	1.3%
	Statewide Total	121	\$83,554	\$10,110,063	100.0%	\$102,701	\$12,426,830	100.0%

Statewide Average Single-Family Sales Prices Rose

Figure 1-1

The overall statewide average price for single-family homes continues to increase. Contributing to this increase was higher wholesale prices for framing lumber and wood products.

- The statewide average price for a single-family home rose 12.6%, from \$153,512 in the first half of 1996 to \$157,461 in the first half of 1997.
- The statewide average price for a condominium rose 12.4%, from \$84,382 in the first half of 1996 to \$94,874 in the first half of 1997.

Regionally, all areas of the state reported higher single-family home sale prices for the first six months of 1997, except Ketchikan. Ketchikan, still feeling the impact of mill closures, reported a decline of 0.9%. Kenai continued to provide the lowest average priced homes in the state at \$127,088. Mat-Su and Fairbanks followed with an average price of \$131,615 and \$138,906 respectively.

Juneau continues to have the most expensive single-family homes, with an average price of \$194,931, an increase of 7.4%. Kodiak reported the largest increase in sales price at \$187,459, a 14.7% increase. The average single-family home sold in Anchorage for \$162,620 during the first half of 1997, and represented an increase of 1.4% from the year-ago period.

Kodiak had the highest average condominium prices which averaged \$161,000. This figure, however, was based on only two units. Fairbanks had the lowest average prices at \$55,436. Anchorage accounted for approximately four out of every five condominiums sold in the state during the first half of 1997.

Nationally, preliminary home prices appreciated 3.9% when compared to the prior year's first half. In every region but the Northeast, average existing home prices increased faster than the inflation rate in the 12 months ending in June, according to NAR. The Federal National Mortgage Association projects that home prices will outpace inflation by appreciating 3.6% in 1997 and 4.5% in 1998.

Loan-to-Value Ratios and Third-Party Guarantees Decline

Figure 1-2

The loan-to-value (LTV) ratio measures the risk a lender is willing to accept by comparing the mortgage loan to the sales price. With a lower LTV, the borrower has more exposure by providing a larger down payment. As the LTV increases, the lender is willing to accept a smaller down payment.

- The total LTV ratio dropped from 82.4% in the first half of 1996 to 82.2% in the first half of 1997.
- The LTV ratio declined for single-family homes, falling from 82.2% in the first half of 1996 to 82.1% in the first half of 1997.
- The LTV ratio for condominiums declined from 88.2% in the first half 1996 to 84.4% in the first half of 1997.

Of the total dollar value of loans made in Alaska in the first half of 1997, 45.5% were insured or guaranteed by the Federal Housing Administration (FHA), Veterans Administration (VA), U.S. Department of Housing and Urban Development (HUD), or by private mortgage insurance (PMI). This represents a substantial decrease from 62.7% in the second quarter of 1995. In 1995, AHFC's 5% Program required mortgagees to purchase FHA or VA insurance.

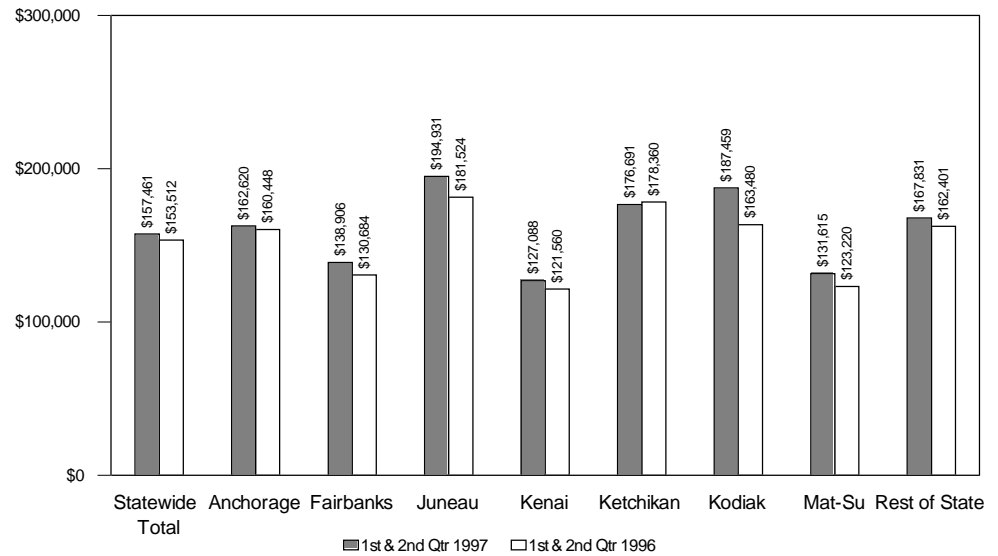
More loans were insured or guaranteed during the first quarter of 1997 than the first quarter of 1996 (44.2% vs. 50.1%). There were also more single-family loans insured (49.0% vs. 43.1%), but fewer condominiums insured (80.3% vs. 79.7%).

Average Sales Price Single-Family Homes

Figure 1-1

1st and 2nd Qtr 1997 vs. 1st and 2nd Qtr 1996

Source: Alaska Department of Labor,
Research and Analysis Section.

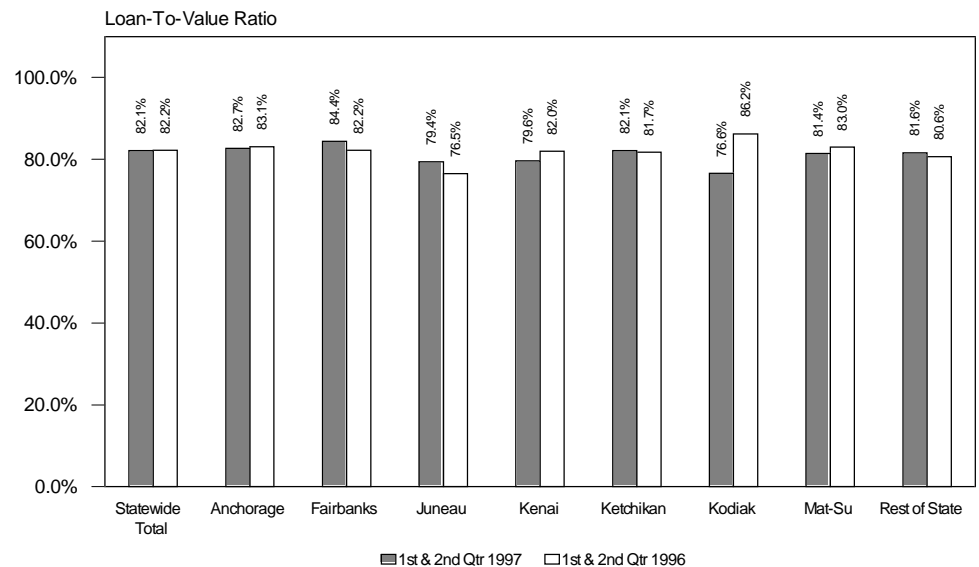


Average Loan-to-Value Ratios Single-Family Homes

Figure 1-2

1st and 2nd Qtr 1997 vs. 1st and 2nd Qtr 1996

Source: Alaska Department of Labor,
Research and Analysis Section.



Interest Rates Rise

Statewide, the overall average annual interest rate for single-family homes, weighted by dollar loan volume, rose from 7.69% in the first half of 1996 to 7.79% in the first half of 1997.

- Statewide interest rates climbed for single-family homes from 7.69% to 7.80%.
- Statewide interest rates for condominiums remained unchanged at 7.66%.

AHFC rates were virtually unchanged from the prior year, with 6.95% in 1996 and 6.94% for 1997. While AHFC's overall interest rates averaged lower than non-AHFC loans at a rate of 6.83%, this rate advantage can be attributed to AHFC targeting specific categories of homebuyers. For example, AHFC's First-Time Homebuyers, Veteran Mortgage, and Energy Efficiency Interest-Rate Reduction programs provide home-buyers with lower interest rates, but require the homebuyer to meet specific eligibility criteria.

Wage Income Increases

Figure 1-3

The average statewide monthly wage for the first six months of 1997 was \$2,678. This represents a 0.6% increase from the first half of 1996 when monthly wage averaged \$2,662. Twelve areas of the state reported declines in monthly-wage. However, 14 areas of the state, including Anchorage, reported gains.

- During the second quarter of 1997, the North Slope Borough reported the highest wage at \$4,880, while Wade Hampton had the lowest at \$1,487.
- Nationally, median monthly family income rose 4.3% from \$3,446 in the year-ago quarter to \$3,595, with the first half comparison up a similar amount.

The annual average wage on a national basis has increased by 2.3% annually since 1988. Alaska wages, however, have actually declined after adjusting for inflation. Alaska wages averaged \$27,720 in 1988, but in 1996 that same wage, on an inflation-adjusted basis, equaled \$24,420, a decline of 11.9% in purchasing power. Factors contributing to Alaska's slide in per-capita-income ranking include: slow employment growth compared to the rest of the nation, loss of high-wage jobs, and slower wage growth.

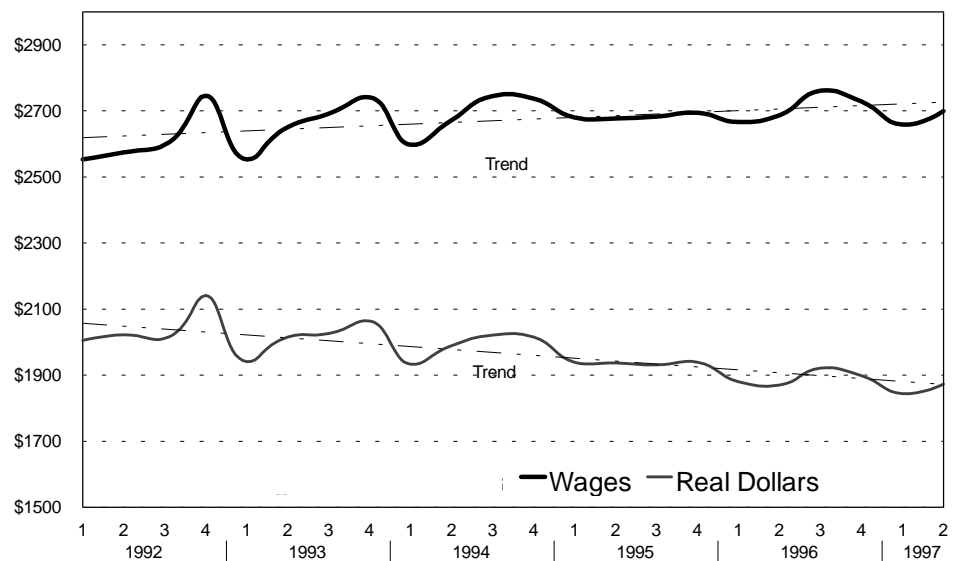
Average Monthly Wage Statewide

Figure 1-3

1st Qtr 1992 - 2nd Qtr 1997

Note: Data for the 2nd Quarter 1997 is preliminary. "Real Dollars" refers to the Average Monthly Wage after adjusting for inflation.

Source: Alaska Department of Labor, Research and Analysis Section.



Alaska Affordability Decreases

Figure 1-4

The Alaska Affordability Index rose in the first half of 1997, which meant that homes became less affordable. Higher interest rates and sales prices worked against buyers. Although average monthly wages improved, the gain (\$2,662 to \$2,678) was not sufficient to offset the increases in the other two components.

- Interest rates rose from 7.69% in the first half of 1996 to 7.80% in the first half of 1997.
- Average home prices also increased from \$153,512 to \$157,461.

Comparing the first half of 1997 with the first half of 1996, the statewide affordability index for single-family homes rose to 1.50 from 1.45 in 1996. This meant that to qualify for a 30-year, single-family home mortgage with 15% down and an interest rate of 7.80%, households would need one and a half earners receiving the average wage. If the index continues to increase, qualifying for a loan will be even more difficult.

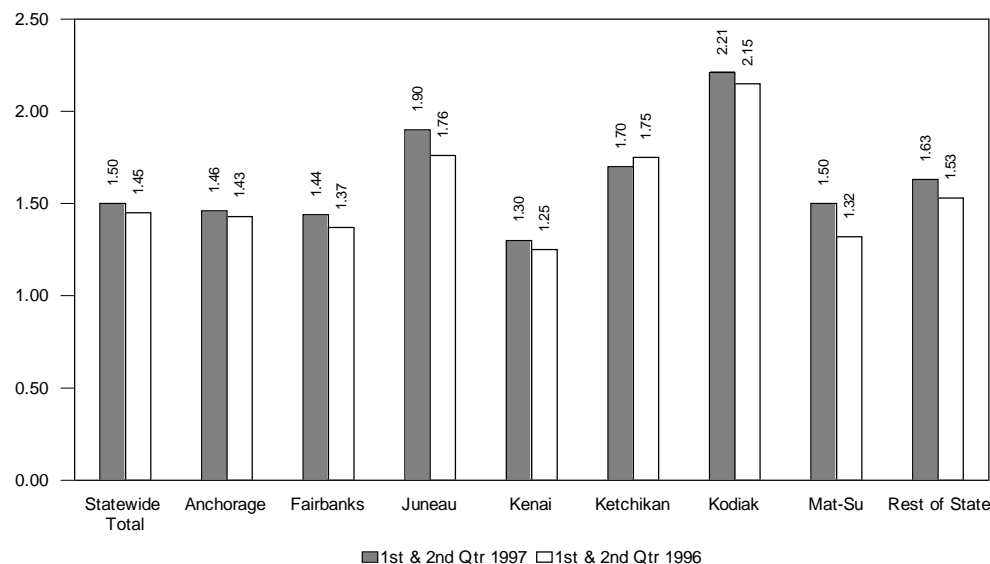
Regionally, all areas, except Ketchikan, had higher affordability indices than the prior year. Ketchikan was more affordable than the others due to being the only area with sale prices lower than the prior year. Kenai continued to be the most affordable area (1.30) in the state, primarily due to having the lowest average price homes. Kodiak was the least affordable area in the state with an affordability index of 2.21.

Alaska Affordability Index*

Single-Family Homes, Private and Public Agency Lenders

1st and 2nd Qtr 1997 vs. 1st and 2nd Qtr 1996

Figure 1-4



* Note: The Affordability Index is the number of earners needed to qualify for an 85% mortgage. Contrary to other common indexes, this one decreases when affordability improves and increases when affordability declines. Therefore, a **smaller affordability index or a decrease is always more favorable to buyers**. Data for the 2nd Quarter 1997 is preliminary.

Source: Alaska Department of Labor, Research and Analysis Section.

National Affordability Declines

Figure 1-4

Nationally, the affordability index for the first half of 1997 was 127.8, which was down from 1996's index of 130.0. The index represents the ratio of median family income to income required for a loan. The higher the index, the more affordable. Although income grew by 4.3% compared to 1996, it was insufficient to cover the 3.9% increase in home prices (\$116,900 to \$121,500) and higher interest rates (7.59% to 7.80%).

Regionally, the South reported the greatest increase in affordability at 6.0% and the Northeast the least at 0.6%. The Midwest remains the most affordable with an index ratio of 100.6, while the West was the least affordable at 157.7.

The Census Bureau has recently issued a report, *Who Can Afford to Buy a House?*. The document proposes increasing homeownership and affordability through downpayment subsidies. If a \$5,000 subsidy was provided to renters, it would increase their chances of owning modestly priced homes by 14%. With a \$7,500 subsidy, it would boost the number of renters eligible to 21%, while a \$10,000 amount would qualify one-quarter more renters. The subsidy could be used to purchase a house, lower the amount of mortgage required, or applied to closing costs and debt reduction.

Quarterly Survey of Alaska Lenders Historical Data Tables Available On The Internet

Readers can obtain up-to-date historical data tables from the *Quarterly Survey of Alaska Lenders* on the Alaska Housing Finance Corporation's World Wide Web Server. The address for the server is www.ahfc.state.ak.us.

The historical data tables cover loan activity for single-family homes and condominiums from seven Alaska communities. A category for the entire state is also included.

Section 2

AHFC Residential Loan Portfolio

AHFC's Loan Portfolio Activity Increases

Figures 2-1 and 2-2

Increases in home sales prices and the affordability index created favorable conditions for AHFC's mortgage-lending programs. While loan volume decreased for non-AHFC lenders in the first half of 1997, it increased for AHFC lenders. The increase in AHFC activity was due principally to AHFC programs having more favorable interest rates than non-AHFC lenders.

AHFC's urban loan portfolio doubled in loan volume in comparison to the prior year half. Loan volume for the rural portfolio also grew, but because of less competitive interest rates in rural Alaska, it did not match the increase reported for the urban portfolio.

AHFC's secondary-mortgage programs are designed to provide affordable housing for homebuyers. AHFC loan volume typically increases when interest rates and home prices rise. This is principally due to the increased demand for AHFC's affordable home-loan programs.

Interest rates were favorable for AHFC's residential loan portfolio. When compared to the first half of 1996, AHFC average interest rates, weighted by dollar loan volume, declined from 7.00% to 6.83%. Favorable interest rates stimulated growth in overall AHFC loan activity. Increases were reported in the total number of loans and loan volume:

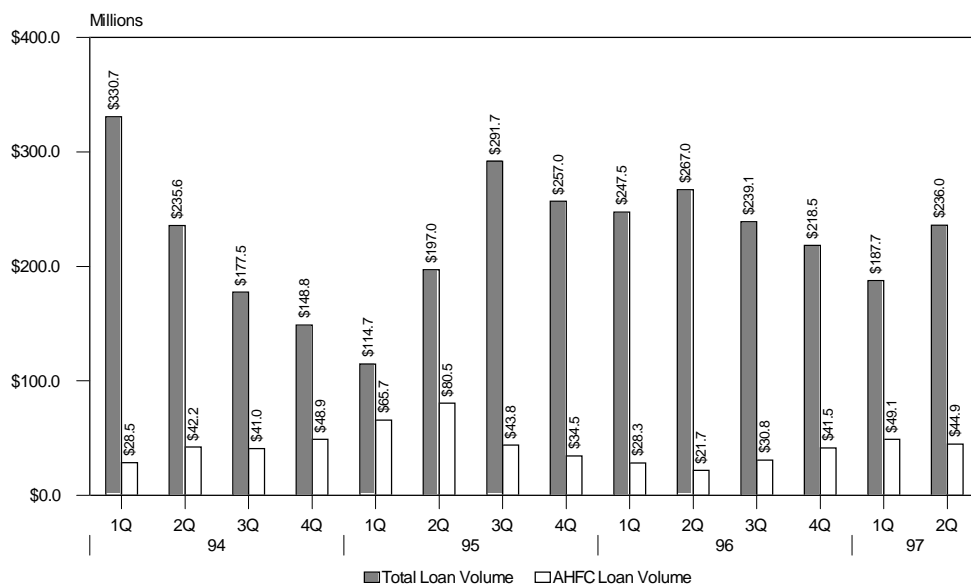
- The total number of AHFC loans for the first half of 1997 was 807, a 73.5% increase from 1996.
- Total AHFC loan volume rose from \$50.1 million in 1996 to \$93.9 million.
- Single-family home volume increased 93.2%, from \$45.3 million to \$87.6 million.
- Condominium volume grew by 33.1%, from \$4.8 million to \$6.3 million.

Dollar Volume of AHFC Loans By Total Loan Volume

Single-Family Homes and Condominiums

1st Qtr 1994 through 2nd Qtr 1997

Figure 2-1



Source: Alaska Housing Finance Corp.;
Alaska Department of Labor, Research
and Analysis Section.

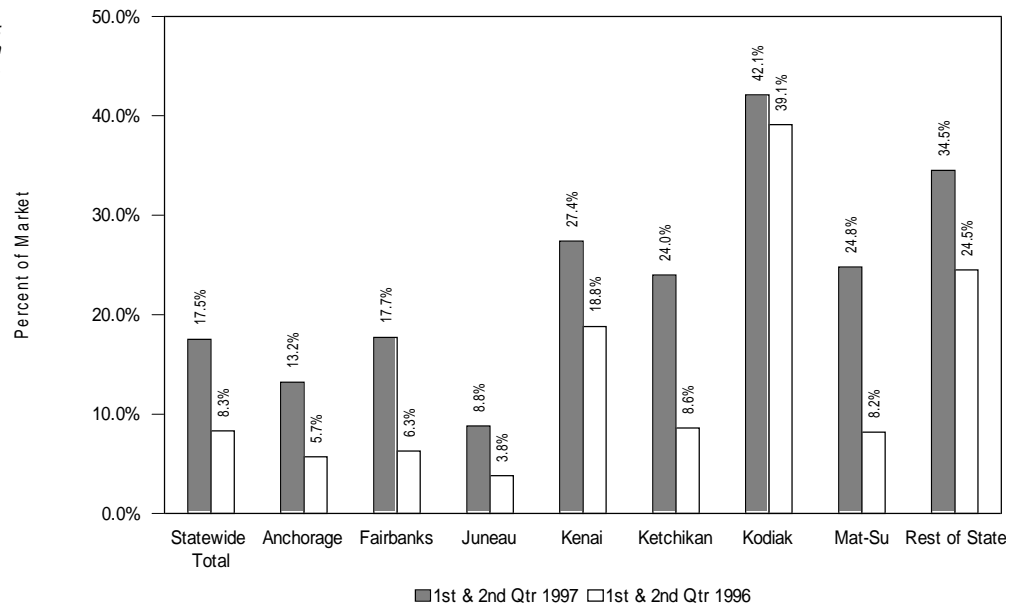
AHFC Market Share of Single-Family Homes

Based on Dollar Loan Volume

Figure 2-2

1st and 2nd Qtr 1997 vs 1st and 2nd Qtr 1996

Source: Alaska Housing Finance Corp.;
Alaska Department of Labor, Research
and Analysis Section.



Loan Volume for AHFC's Rural Portfolio Increases

Figures 2-3 and 2-4



AHFC's urban and rural portfolio reported increases in loan volume. Total volume of the urban portfolio grew from \$35.8 million in the first half of 1996 to \$76.0 million in 1997. The rural portfolio, grew from \$14.3 million in 1996 to \$17.8 million in 1997.

The AHFC loan portfolio continues to have a strong urban presence. Most of the statewide portfolio remained concentrated in Anchorage (46.6%), Mat-Su (11.7%) and Fairbanks (9.7%).

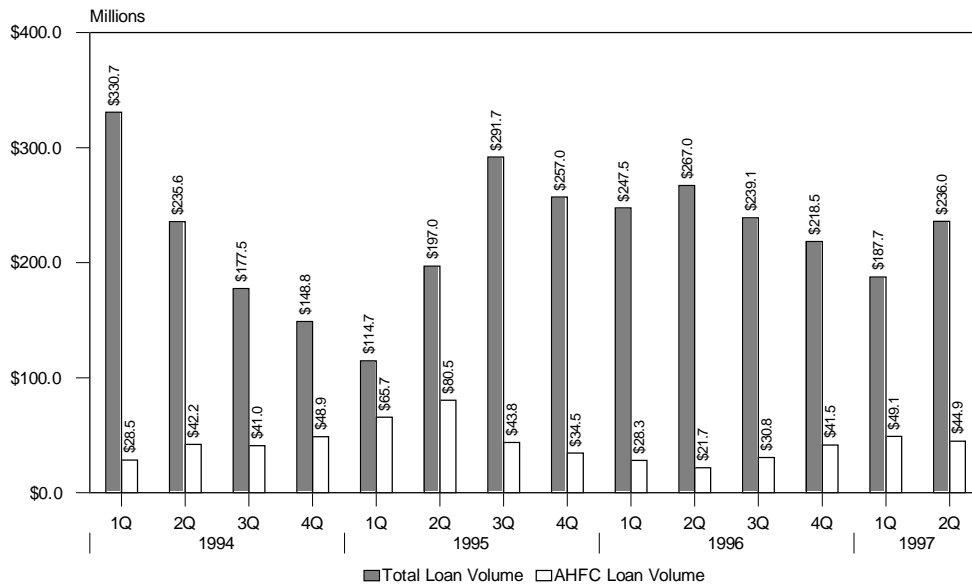
- In the rural portfolio, Kodiak (22.4%) and Wrangell-Petersburg (14.7%) occupied the bulk of the volume.
- The rest of the rural portfolio was allocated over 15 other regions, with six of those regions reporting only a single loan during the second quarter.

AHFC Dollar Volume of Urban and Rural Loans

Statewide

1st and 2nd Qtr 1996 vs. 1st and 2nd Qtr 1997

Figure 2-3

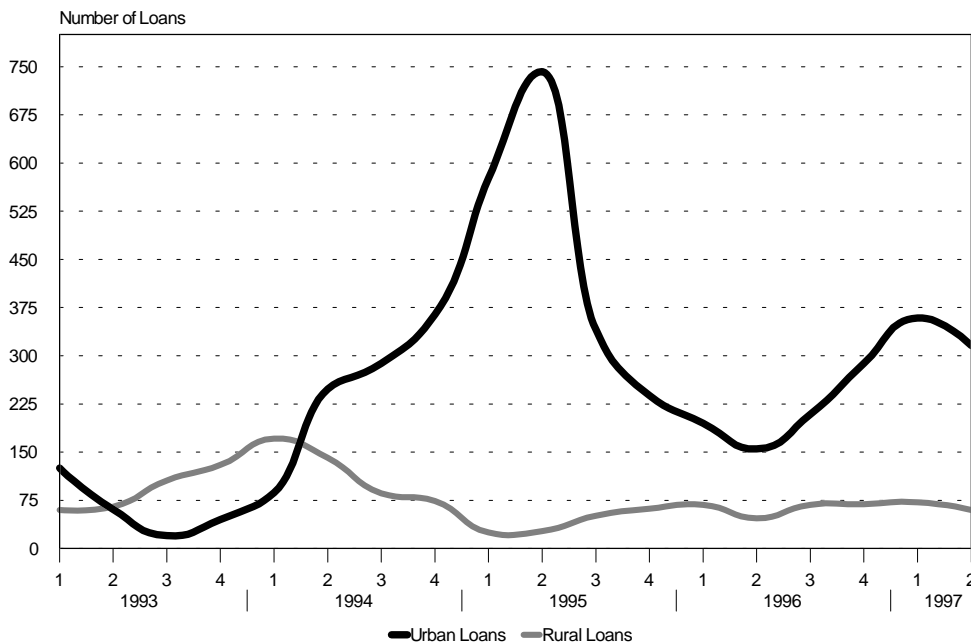


AHFC Loans Purchased

Urban vs. Rural

1st Qtr 1993 - 2nd Qtr 1997

Figure 2-4



Average Sales Prices and Loan Amounts

Figure 2-5

The sales price of a home continues to rise. During the first six months of 1997, overall AHFC sales prices averaged \$129,936, which was 8.2% higher than the prior year's \$120,133.

- AHFC single-family homes had an average sales price of \$136,756, up from \$126,888 in 1996.
- AHFC condominium sales prices declined from \$79,295 to \$75,681.
- Non-AHFC lenders saw single-family home sales prices rise from \$157,512 to \$165,865 and condominiums jump from \$84,798 to \$117,203.

Most regions of the state posted higher AHFC sales prices than the first half of 1996; only Kenai and Kodiak had lower prices.

- For AHFC sales prices, Kenai averaged the lowest at \$112,303, while Juneau reported the highest prices at \$192,584.
- For non-AHFC lenders, Kodiak (\$224,573) had the highest price, while Mat-Su posted the lowest average (\$140,110).

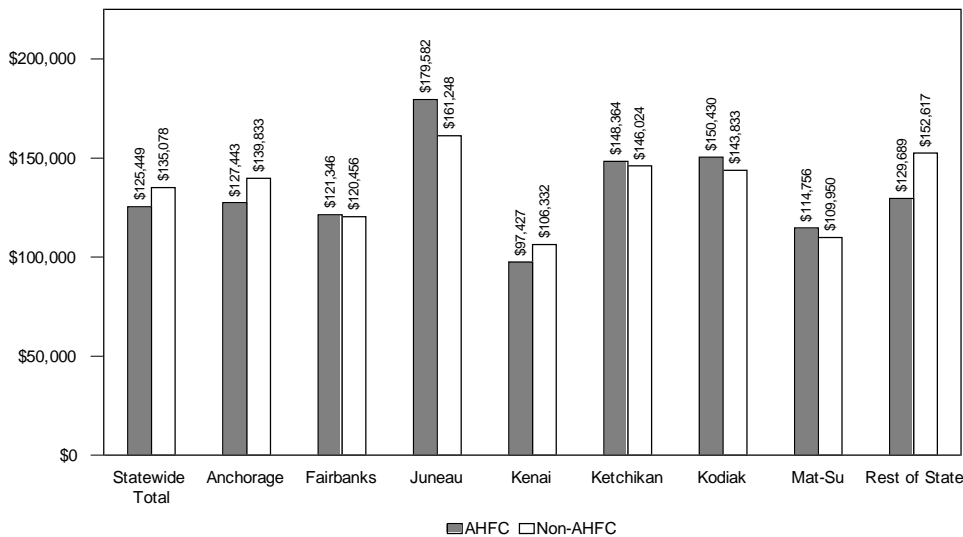
AHFC protects itself, and its bondholders, through private mortgage insurance (PMI) and FHA and VA guarantees. The number of home loans insured by AHFC increased 7.6%. In the first half of 1997, approximately 68.8% of AHFC's home loans were insured by PMI, FHA, or VA.

AHFC and Non-AHFC Average Loan Amounts

Single-Family Homes

2nd Qtr 1997

Figure 2-5



Source: Alaska Housing Finance Corp.; Alaska Department of Labor, Research and Analysis Section.

Median Sales Prices for Single-Family Homes & Condominiums

Figure 2-6 to 2-8

The median sales price for single-family homes with and without garage increased in the first half of 1997. Single-family homes with garage rose from prior-year level of \$130,596 to \$132,234.

- Land prices accounted for most of the overall increase, rising from \$26,769 to \$30,722.
- The structural portion of the price actually fell \$2,316, to \$101,512.
- The price per square foot, based on the structural costs only, was \$75.19 for homes with garage in the first half of 1997.

For single-family homes without garage, overall prices rose 6.8% due to increases in structural prices and land prices.

- Structural prices increased from \$70,379 to \$76,254.

- Land costs increased 2.4% from \$25,000 to \$25,605.
- The average price per square foot for homes without a garage was \$66.66.

Condominiums prices increased from \$73,616 in the first six months of 1996 to \$76,981. Quarterly comparisons also showed median price had grown 13.9% from \$72,000 to \$82,000.

Nationally, the cost per square foot of housing structure varies substantially between regions. The national average was \$61.42 based on home sales in 1996, according to the National Association of Homebuilders.

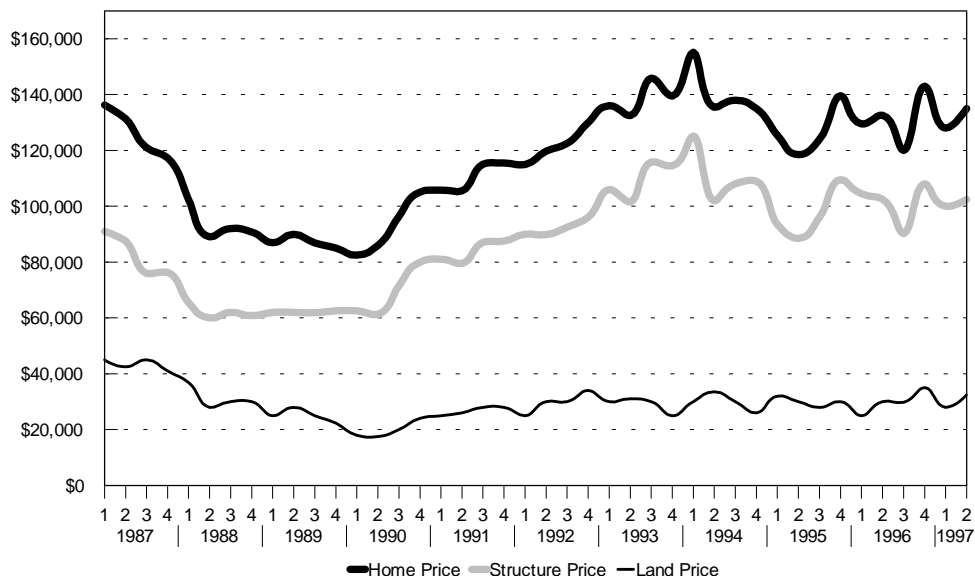
- The South had the lowest cost per square foot with prices ranging from \$48.86 to \$55.73 within its three geographic divisions.
- The Northeast (\$65.99 to \$72.44) and West (\$62.75 to \$73.62) were the highest regions.
- The Pacific division (including Alaska) within the West region reported the highest overall average of the nine divisional subregions with \$73.62.

Median Purchase Price of Home, Structure and Land

AHFC Single-Family Homes with Garage, Statewide

1st Qtr 1987 - 2nd Qtr 1997

Figure 2-6



Note: Reflects total AHFC urban and rural loans beginning 3rd Qtr 1992. Prior to 3rd Qtr 1992 only urban loans shown.

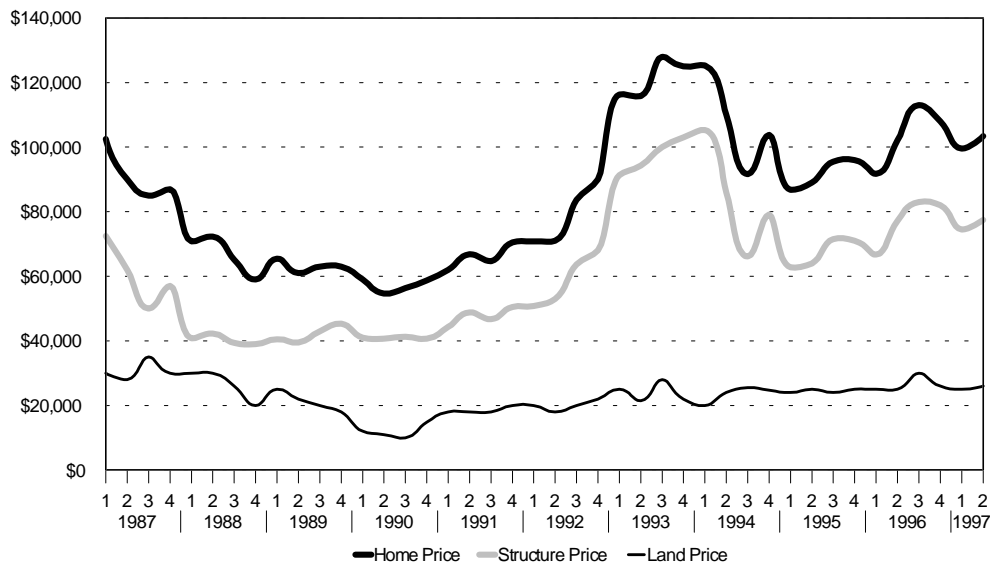
Source: Alaska Housing Finance Corp.; Alaska Department of Labor, Research and Analysis Section.

Median Purchase Price of Home, Structure and Land

AHFC Single-Family Homes without Garage, Statewide

1st Qtr 1987 - 2nd Qtr 1997

Figure 2-7



Note: Reflects total AHFC urban and rural loans beginning 3rd Qtr 1992. Prior to 3rd Qtr 1992 only urban loans shown.

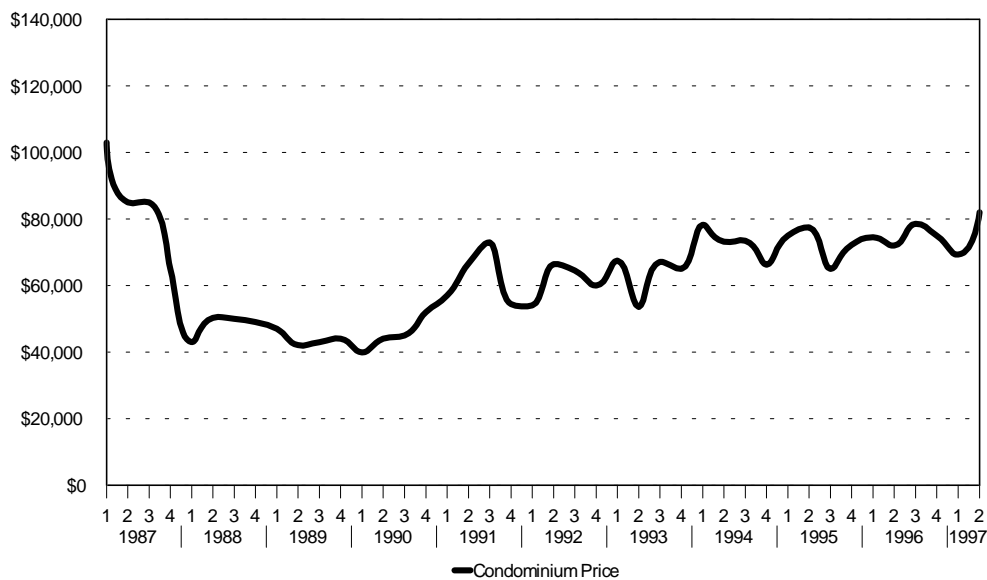
Source: Alaska Housing Finance Corp.; Alaska Department of Labor, Research and Analysis Section.

Median Purchase Price of Condominiums

AHFC Condominiums, Statewide

1st Qtr 1987 - 2nd Qtr 1997

Figure 2-8



Source: Alaska Housing Finance Corp.; Alaska Department of Labor, Research and Analysis Section.

Statewide

Figure 2-9

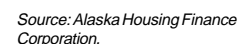


Figure 2-9

- Foreclosures dropped from 48 in the year-ago period to 44 in 1997.
- Disposed properties rose slightly from 51 to 55.
- AHFC's real-estate-owned (REO) inventory of all property types tumbled from 50 in June 1996 to 33 in June 1997.
- AHFC's delinquency rate edged up from 4.1% in April to 4.2% in May of 1997.

Alaska Housing Market Indicators Spring 1997

Section 3

Alaska Multiple Listing Service Information

Closed Sales and Sales Volume Increase

Tables 3-1 to 3-6

Activity during the second half of 1997 for both single-family homes and condominiums increased from the prior year in most of the surveyed areas. Prior year data comparisons exclude Fairbanks due to problems with Fairbanks' MLS computer system. The MLS survey benefitted from a seasonal upturn in the housing market. Closed sales, listings, and sales volume increased while days-on-the-market remained mostly unchanged in first half comparisons.

- For single-family homes, total sales volume expanded from \$253.8 million in 1996's first half to \$270.3 million in 1997.
- The total number of sales went up 4.0% from 1,744 to 1,813.
- Listings grew by 2.6% and days-on-the-market average remained unchanged at 95 days.

- The average sales price rose 2.4% from \$145,524 to \$149,085.
- Most of the single-family activity was centered in Anchorage, which accounted for over four-fifths (83.2%) of the MLS survey.

Regionally, Mat-Su continued to report strong activity. Sales volume increased 37.3% over the first half of 1996. Volume expanded from \$26.4 million to \$36.3 million. The average sales price for a single-family home increased from \$108,808 in the second quarter of 1996 to \$119,340 in the second quarter of 1997.

Anchorage also reported higher results than the prior year. Single-family sales volume in Anchorage rose from \$212.9 million to \$224.9 million. Number of homes sold increased 4.2%. The average sales price of a single family home decreased from \$158,392 in the second quarter of 1996 to \$158,164 in the second quarter of 1997.

Kenai was the weakest surveyed area with sales volume and the number of sales dropping 37.2% and 36.9%, respectively. The average sales price for a single-family home increased from \$104,252 in the second quarter of 1996 to \$104,474 in the second quarter of 1997.

Because of missing Fairbanks MLS data, condominium-activity comparisons are available for Anchorage only. Anchorage's MLS activity for condominiums was stronger than the prior year. Sales volume rose 16.1% from the prior year first half, while the total number of sales grew by 14.2%. Days on the market rose from 100 to 114. Sales prices increased from \$82,039 to \$83,403.

Municipality of Anchorage

Single-Family Residential Listings and Sales

Table 3-1

1st Qtr 1993 through 2nd Qtr 1997

Source: Anchorage Multiple Listing Service.

Qtr/Yr	Active Listings		Sales Closed			
	Number	Avg. Days on Market	Number	Volume (\$)	Avg. Price (\$)	Sale/List Price (%)
2Q1997	1,326	98	846	133,806,815	158,164	97.35
1Q1997	1,074	120	569	91,134,000	160,165	97.35
4Q1996	995	105	799	125,108,297	156,581	98.13
3Q1996	1,264	98	861	133,201,533	154,706	97.23
2Q1996	1,198	91	837	132,573,864	158,392	97.71
1Q1996	948	105	521	80,345,780	154,215	98.38
4Q1995	1,055	86	683	102,957,448	150,743	98.12
3Q1995	1,231	74	824	124,030,339	150,522	97.97
2Q1995	1,069	71	663	102,995,479	155,348	100.60
1Q1995	858	83	674	91,268,540	135,413	98.34
4Q1994	1,130	128	712	102,721,276	144,271	98.32
3Q1994	1,417	99	753	118,103,522	156,844	102.06
2Q1994	1,154	66	648	109,685,511	169,268	111.31
1Q1994	820	93	601	86,154,566	143,352	98.61
4Q1993	900	91	794	113,498,110	142,945	98.90
3Q1993	1,238	82	894	128,679,270	143,937	98.28
2Q1993	1,347	80	699	96,245,978	137,691	97.77
1Q1993	1,167	121	496	67,176,864	135,437	98.00

Municipality of Anchorage

Condominium Listings and Sales

Table 3-2

1st Qtr 1993 through 2nd Qtr 1997

Source: Anchorage Multiple Listing Service.

Qtr/Yr	Active Listings		Sales Closed			
	Number	Avg. Days on Market	Number	Volume (\$)	Avg. Price (\$)	Sale/List Price (%)
2Q1997	368	109	225	19,660,983	87,382	N/A
1Q1997	307	119	146	11,281,574	77,271	N/A
4Q1996	281	106	152	11,985,178	78,850	N/A
3Q1996	335	95	185	15,564,410	84,132	96.82
2Q1996	318	94	202	16,783,791	83,088	96.43
1Q1996	253	105	123	9,878,848	80,316	97.02
4Q1995	298	161	130	11,245,110	86,501	97.70
3Q1995	362	131	150	12,507,000	83,380	97.55
2Q1995	366	144	144	11,053,698	76,762	97.62
1Q1995	341	147	151	13,135,459	86,990	98.39
4Q1994	399	126	173	13,156,701	76,050	98.44
3Q1994	388	91	133	9,772,033	73,474	98.54
2Q1994	343	112	141	11,532,233	81,789	97.30
1Q1994	243	136	114	9,061,221	79,484	97.95
4Q1993	236	132	174	13,991,850	80,413	96.73
3Q1993	350	133	169	12,909,546	76,388	97.81
2Q1993	381	120	163	11,627,154	71,332	96.90
1Q1993	363	141	76	5,148,310	67,741	96.78

Kenai Peninsula Borough

Single-Family Residential Listings and Sales

1st Qtr 1993 through 2nd Qtr 1997

Table 3-3

Qtr/Yr	Active Listings		Sales Closed			
	Number	Avg. Days on Market	Number	Volume (\$)	Avg. Price (\$)	Sale/List Price (%)
2Q1997	278	159	48	5,014,750	104,474	96.37
1Q1997	248	166	41	4,050,279	98,787	95.82
4Q1996	198	121	59	5,988,609	101,502	N/A
3Q1996	313	169	85	8,503,029	100,036	96.10
2Q1996	331	169	85	8,861,408	104,252	97.11
1Q1996	269	177	56	5,581,755	99,674	93.43
4Q1995	280	173	98	9,784,317	99,840	96.12
3Q1995	298	149	99	8,547,032	86,334	96.29
2Q1995	276	182	89	9,022,900	101,381	97.29
1Q1995	236	198	47	4,777,700	101,653	95.29
4Q1994	255	173	78	6,999,688	89,740	96.08
3Q1994	313	144	98	9,570,665	97,660	96.48
2Q1994	305	142	97	9,487,241	97,807	97.10
1Q1994	233	177	91	8,398,078	92,287	96.25
4Q1993	230	178	94	8,303,894	88,339	96.77
3Q1993	320	153	121	12,141,290	100,341	97.93
2Q1993	317	153	100	8,647,725	86,477	88.40
1Q1993	269	179	77	6,460,025	83,896	96.41

Note: Average days on market are for sales closed and not for listings.

Source: Kenai Peninsula Board of Realtors.

Matanuska-Susitna Borough

Single-Family Residential Listings and Sales

1st Qtr 1993 through 2nd Qtr 1997

Table 3-4

Qtr/Yr	Active Listings		Sales Closed			
	Number	Avg. Days on Market	Number	Volume (\$)	Avg. Price (\$)	Sale/List Price (%)
2Q1997	539	104	195	23,271,365	119,340	97.27
1Q1997	430	116	114	13,013,079	114,150	97.33
4Q1996	405	135	176	20,265,296	115,144	97.12
3Q1996	615	113	186	20,179,075	108,490	97.86
2Q1996	621	105	167	18,170,905	108,808	98.05
1Q1996	431	116	78	8,260,356	105,902	96.53
4Q1995	390	125	155	15,831,229	102,137	97.70
3Q1995	466	112	179	17,161,288	95,873	97.16
2Q1995	481	111	119	11,407,645	95,863	97.66
1Q1995	397	114	114	11,145,209	97,765	97.08
4Q1994	363	117	148	14,082,250	95,150	97.20
3Q1994	497	98	170	16,492,382	97,014	96.71
2Q1994	486	90	151	15,465,607	102,421	96.63
1Q1994	293	119	110	10,310,145	93,729	97.38
4Q1993	271	131	156	14,155,575	90,741	95.89
3Q1993	400	125	181	16,753,698	92,562	97.18
2Q1993	477	117	150	12,972,683	86,485	96.92
1Q1993	415	127	84	7,141,869	85,022	95.99

Note: Matanuska-Susitna includes condominiums in quarterly residential sales data. These sales account for a very small proportion of overall activity.

Source: Valley Board of Realtors Multiple Listing Service.

Fairbanks North Star Borough

Single-Family Residential Listings and Sales

Table 3-5

1st Qtr 1993 through 2nd Qtr 1997

Note: Data are for the 90 days ending on a reporting date close to the end of the quarter. In contrast to other tables of MLS data, the tables for Fairbanks show the number of days on the market for closed sales rather than listings. Sales and Listing activity reported in previous issues may be revised to include data received after the previous issue publication.

Source: Greater Fairbanks Board of Realtors Multiple Listing Service.

Qtr/Yr	Active Listings		Sales Closed			
	Number	Avg. Days on Market	Number	Volume (\$)	Avg. Price (\$)	Sale/List Price (%)
2Q1997	(Data not available from Fairbanks MLS due to computer problems.)					
1Q1997	(Data not available from Fairbanks MLS due to computer problems.)					
4Q1996 (est)	232	84	170	19,465,850	114,505	93.25
3Q1996	281	72	193	21,653,398	112,193	94.25
2Q1996	257	80	173	18,635,537	107,719	93.87
1Q1996	164	96	113	11,872,963	105,070	91.66
4Q1995	183	89	153	15,733,821	102,835	93.27
3Q1995	253	64	201	21,760,251	108,259	96.99
2Q1995	208	63	175	19,147,942	107,572	95.51
1Q1995	143	85	138	15,263,504	110,605	97.29
4Q1994	318	79	186	18,285,120	98,307	95.56
3Q1994	275	61	221	22,694,773	102,691	96.66
2Q1994	222	61	166	17,589,109	105,958	98.12
1Q1994	101	84	139	14,087,103	101,346	97.95
4Q1993	160	72	231	24,708,625	106,963	97.21
3Q1993	234	67	233	24,169,070	103,729	97.80
2Q1993	247	99	149	14,424,312	96,807	97.73
1Q1993	175	128	92	8,617,602	93,669	96.14

Fairbanks North Star Borough

Condominiums and Townhouse Listings and Sales

Table 3-6

1st Qtr 1993 through 2nd Qtr 1997

Note: Data are for the 90 days ending on a reporting date close to the end of the quarter. In contrast to other tables of MLS data, the tables for Fairbanks show the number of days on the market for closed sales rather than listings. Sales and Listing activity reported in previous issues may be revised to include data received after the previous issue publication.

Source: Greater Fairbanks Board of Realtors Multiple Listing Service.

Qtr/Yr	Active Listings		Sales Closed			
	Number	Avg. Days on Market	Number	Volume (\$)	Avg. Price (\$)	Sale/List Price (%)
2Q1997	(Data not available from Fairbanks MLS due to computer problems.)					
1Q1997	(Data not available from Fairbanks MLS due to computer problems.)					
4Q1996 (est)	15	90	13	819,169	63,013	94.59
3Q1996	17	48	24	1,419,266	59,136	95.09
2Q1996	16	49	23	1,496,616	65,070	97.40
1Q1996	9	238	7	463,700	66,242	95.39
4Q1995	7	158	14	930,500	66,464	97.02
3Q1995	19	137	14	1,092,100	78,007	97.99
2Q1995	22	63	18	1,217,700	67,650	96.41
1Q1995	20	84	9	683,250	75,916	95.86
4Q1994	22	45	11	742,700	67,518	99.45
3Q1994	16	61	15	1,034,500	68,966	96.72
2Q1994	16	91	16	959,000	59,937	98.08
1Q1994	8	68	16	909,900	56,868	97.30
4Q1993	12	118	13	713,000	54,846	96.19
3Q1993	19	68	13	998,350	76,796	97.48
2Q1993	21	113	13	837,490	64,422	97.27
1Q1993	11	69	7	407,500	58,214	97.48

Section 4

New Alaska Housing Units

1997 Permit Issuances Exceed Previous Year

Table 4-1, Figures 4-1 to 4-4

Total year-to-date permits were higher than the previous year. Increases in permitting activity were reported in Anchorage, the Mat-Su Valley, Wrangell, and Petersburg. Juneau and Fairbanks reported declines. The most pronounced increase in permitting activity occurred in Anchorage and the Mat-Su Valley.

Compared to the first half of 1996:

- Total number of new housing units authorized in 1997 increased by 7.0%.
- 1,424 permits were issued in 1997, compared to 1,331 in 1996.
- Permitting rose statewide for single-family homes from 897 to 1,049.
- Multifamily-unit issuances fell 24.6%, from 402 to 303.

(continued on page 38)

New Housing Units by Type of Structure

For Places Reporting Data, Comparison with 1996 Permit Data

2nd Qtr 1996 vs. 2nd Qtr 1997 and Year-to-Date

Table 4-1

Place	Total New Units				Single Family				Multi-Family				Mobile Home			
	2Qtr '97	2Qtr '96	YTD '97	YTD '96	2Qtr '97	2Qtr '96	YTD '97	YTD '96	2Qtr '97	2Qtr '96	YTD '97	YTD '96	2Qtr '97	2Qtr '96	YTD '97	YTD '96
Aleutians East Borough																
Akutan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cold Bay	0	0	0	1	0	0	0	1	0	0	0	0	0	0	0	0
King Cove	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sand Point	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aleutians West Census Area																
Atka	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
St. George	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
St. Paul	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unalaska	5	4	5	5	3	2	3	3	2	2	2	2	0	0	0	0
Anchorage, Municipality of																
Anchorage	484	400	733	551	355	292	547	415	102	101	153	125	27	7	33	11
Bethel Census Area																
Akiachak	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aniak	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bethel	11	29	13	37	10	27	12	33	0	2	0	4	1	0	1	0
Chuathbaluk	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Eek	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Goodnews Bay	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kwethluk	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lower Kalskag	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Napaskiak	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nunapitchuk	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Platinum	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Quinhagak	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bristol Bay Borough																
Bristol Bay	0	1	1	1	0	1	1	1	0	0	0	0	0	0	0	0
Dillingham Census Area																
Clark's Point	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dillingham	26	4	26	5	2	4	2	5	24	0	24	0	0	0	0	0
Ekwok	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Manokotak	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Togiak	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fairbanks North Star Borough																
North Pole	9	2	9	2	9	0	9	0	0	0	0	0	0	2	0	2
Balance of Borough	90	142	96	150	64	66	70	74	26	76	26	76	0	0	0	0
Haines Borough																
Balance of Borough	5	4	5	4	5	4	5	4	0	0	0	0	0	0	0	0
Haines City	3	21	5	22	3	7	5	8	0	14	0	14	0	0	0	0
Juneau Borough																
Juneau	58	179	102	196	32	91	51	102	17	84	41	89	9	4	10	5
Kenai Peninsula Borough																
Homer	9	14	12	18	7	12	10	14	2	0	2	2	0	2	0	2
Kenai	23	21	27	23	21	17	25	19	2	4	2	4	0	0	0	0
Seward	4	3	4	3	4	3	4	3	0	0	0	0	0	0	0	0
Seldovia	1	0	1	0	1	0	1	0	0	0	0	0	0	0	0	0
Soldotna	16	19	19	21	16	19	19	21	0	0	0	0	0	0	0	0
Ketchikan Gateway Borough																
Ketchikan City	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Balance of Borough	4	24	14	43	4	18	12	31	0	6	0	12	0	0	2	0
Kodiak Island Borough																
Akhiok	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kodiak City	15	45	15	54	9	14	9	19	2	31	2	35	4	0	4	0
Old Harbor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Port Lions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lake & Peninsula Borough																
Newhalen	8	0	8	0	8	0	8	0	0	0	0	0	0	0	0	0
Nondalton	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Port Heiden	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Matanuska-Susitna Borough																
Balance of Borough	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Palmer	4	6	8	10	4	6	8	10	0	0	0	0	0	0	0	0
Wasilla	65	8	69	14	35	6	39	6	30	2	30	8	0	0	0	0
Nome Census Area																
Diomedes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Koyuk	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nome	1	1	1	1	1	1	1	1	0	0	0	0	0	0	0	0
Savoonga	16	0	20	0	16	0	20	0	0	0	0	0	0	0	0	0
Shaktolik	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shismaref	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unalakleet	4	4	4	4	4	4	4	4	0	0	0	0	0	0	0	0

Note: Mat-Su reported 912 housing units authorized in 1996, 709 housing units authorized in 1995, 433 housing units authorized in 1994, 221 housing units authorized during 1992 and 176 housing units in 1991. Since Mat-Su only reported data annually, quarterly tabulation of the permit is not provided.

Source: Alaska Department of Labor, Research and Analysis Building-Permit Survey; Fairbanks Community Research Center; Municipality of Anchorage.

New Housing Units by Type of Structure -cont.

For Places Reporting Data, Comparison with 1996 Permit Data
2nd Qtr 1996 vs. 2nd Qtr 1997 and Year-to-Date

Table 4-1 cont.

Place	Total New Units				Single Family				Multi-Family				Mobile Home			
	2Qtr '97	2Qtr '96	YTD '97	YTD '96	2Qtr '97	2Qtr '96	YTD '97	YTD '96	2Qtr '97	2Qtr '96	YTD '97	YTD '96	2Qtr '97	2Qtr '96	YTD '97	YTD '96
North Slope Borough																
Atkasuk	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Barrow	57	44	72	58	55	40	70	52	2	4	2	6	0	0	0	0
Kaktovik	0	0	5	0	0	0	0	0	0	0	5	0	0	0	0	0
Nuqsut	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Point Hope	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wainwright	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northwest Arctic Borough																
Ambler	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buckland	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deering	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kiana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kivalina	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kobuk	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kotzebue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Noorvik	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Selawik	0	0	0	20	0	0	0	20	0	0	0	0	0	0	0	0
Shungnak	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Prince of Wales-Outer Ketchikan																
Craig	9	4	17	8	6	2	9	2	0	0	0	4	3	2	8	2
Hydaburg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kasaan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Klawock	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Thorne Bay	0	9	3	10	0	9	1	10	0	0	2	0	0	0	0	0
Sitka Borough																
City & Borough of Sitka	22	11	34	29	14	8	24	16	2	0	4	8	6	3	6	5
Skagway-Yakutat-Angoon Census Area																
Angoon	4	0	4	0	0	0	0	0	4	0	4	0	0	0	0	0
Hoonah	4	1	5	1	1	1	1	1	2	0	2	0	1	0	2	0
Pelican	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Skagway	1	3	5	3	0	2	4	2	0	0	0	0	1	1	1	1
Yakutat	2	0	6	0	1	0	2	0	0	0	0	0	1	0	4	0
Southeast Fairbanks C																
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Valdez-Cordova Census Area																
Cordova	1	1	2	1	1	1	2	1	0	0	0	0	0	0	0	0
Valdez	16	19	18	19	16	7	18	7	0	8	0	8	0	4	0	4
Whittier	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wade Hampton Census Area																
Alakanuk	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Emmonak	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hooper Bay	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kotlik	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pilot Station	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Russian Mission	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sheldon Point	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
St. Mary's	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wrangell-Petersburg Census Area																
Kake	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kupreanof	1	0	1	0	1	0	1	0	0	0	0	0	0	0	0	0
Petersburg	31	12	34	13	29	8	31	9	2	4	2	4	0	0	1	0
Port Alexander	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wrangell	1	1	1	2	1	1	1	1	0	0	0	1	0	0	0	0
Yukon-Koyukuk Census Area																
Allakaket	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Anderson	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Anvik	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bettles	0	0	1	0	0	0	1	0	0	0	0	0	0	0	0	0
Fort Yukon	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Galena	1	0	1	0	1	0	1	0	0	0	0	0	0	0	0	0
Hughes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Huslia	0	1	0	1	0	1	0	1	0	0	0	0	0	0	0	0
Koyukuk	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
McGrath	1	1	1	1	1	1	1	1	0	0	0	0	0	0	0	0
Nenana	2	0	2	0	2	0	2	0	0	0	0	0	0	0	0	0
Nikolai	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nulato	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ruby	15	0	15	0	15	0	15	0	0	0	0	0	0	0	0	0
Shageluk	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tanana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Reported	1,029	1,038	1,424	1,331	757	675	1,049	897	219	338	303	402	53	25	72	32

- Comparisons with the prior-year quarter showed an overall slight decrease (0.9%) in total permits from 1,038 to 1,029 units.
- Statewide single-family permits rose 12.1% from 675 to 757.
- Statewide mobile home permits increased 112.0% from 25 to 53.
- Multifamily permitting dropped from 338 to 219, or 35.2%.

Regionally, Anchorage, Mat-Su, Dillingham, and Wrangell-Petersburg reported strong growth in permits. Areas which were down from the prior-year quarter were Juneau, Fairbanks, Kodiak, and Ketchikan. Anchorage and Mat-Su exhibited the strongest housing activity in the state.

- Anchorage garnered over half (51.5%) of all statewide permits, compared to 41.4% in 1996.
- Permit issuances in the Mat-Su Valley grew during this construction season chiefly due to last year's wildfire near Big Lake.

Permits for New Housing Units by Type

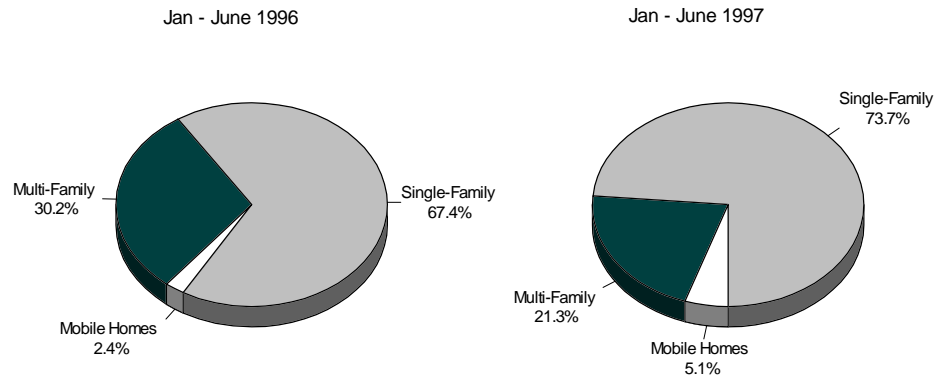
Alaska

Figure 4-1

January-June 1996 & January-June 1997

Note: Includes some units in areas which do not require permits.

Source: Alaska Department of Labor, Research and Analysis Section.



Permits for New Housing Units by Location

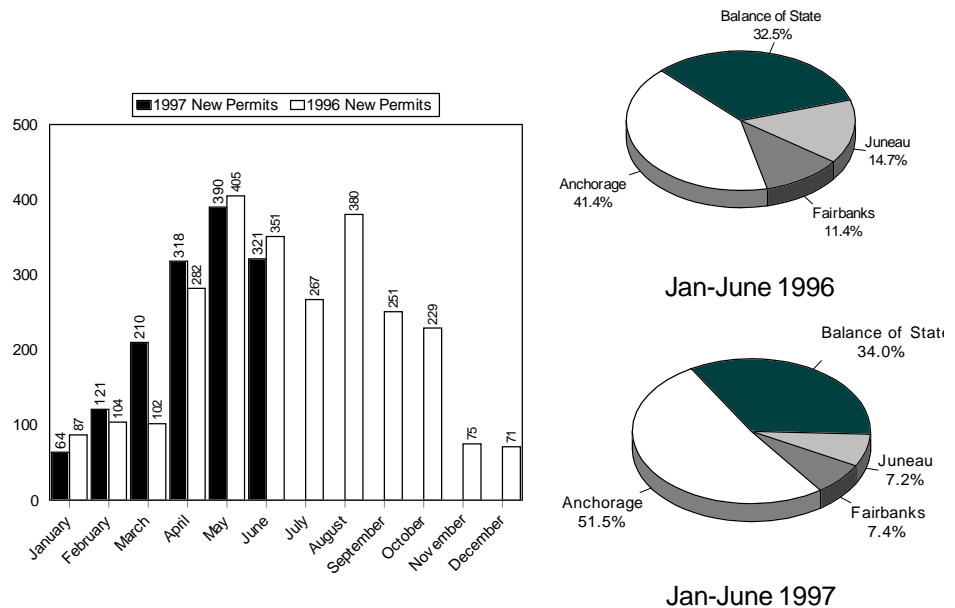
Alaska

Figure 4-2

January-June 1996 & January-June 1997

Note: Includes mobile homes.

Source: Alaska Department of Labor, Research and Analysis Section.

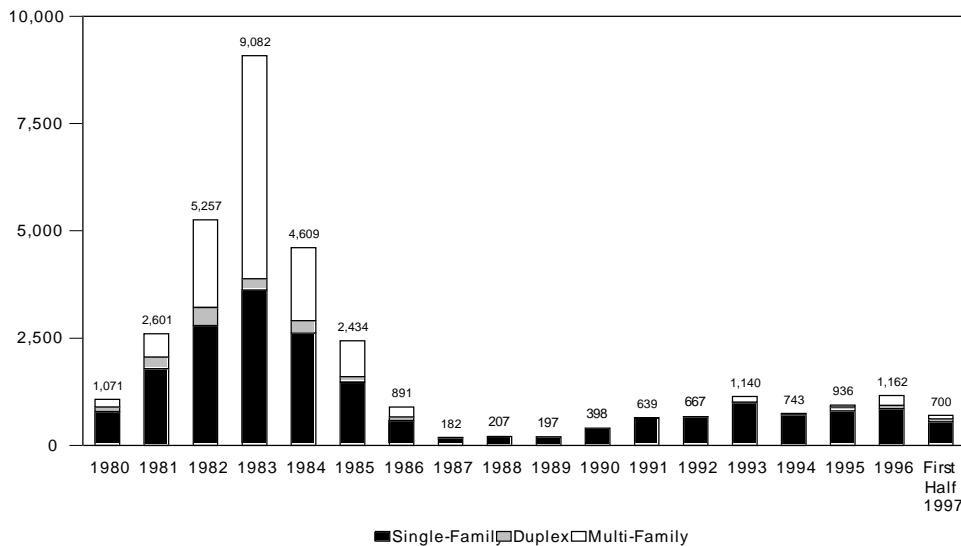


New Housing Units Authorized

Anchorage

January 1980 to June 1997

Figure 4-3

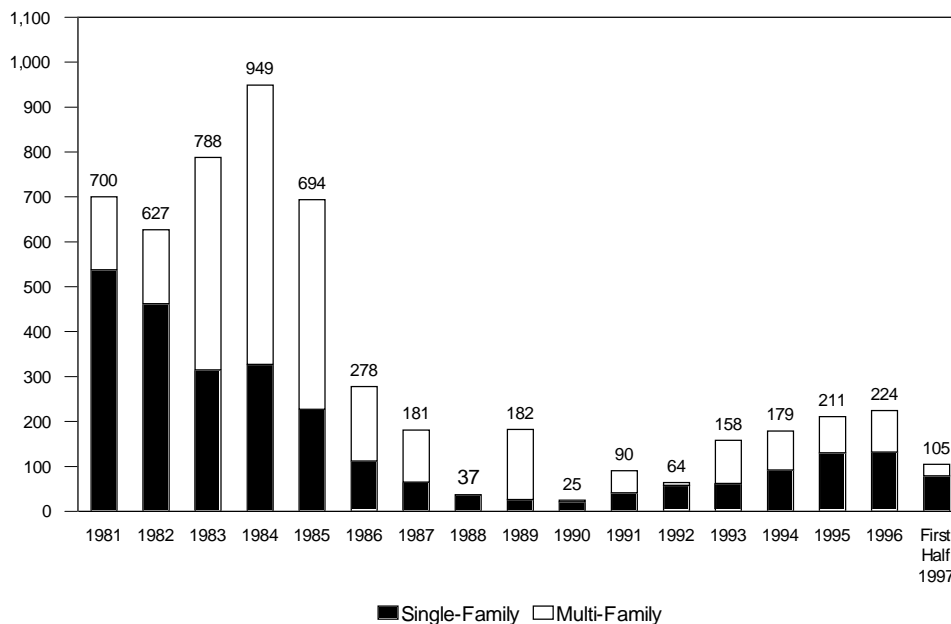


New Housing Units Authorized

Fairbanks North Star Borough

January 1981 to June 1997

Figure 4-4



1997 Annual Rental Market Survey

Rental Market Tightens In 1997

The 1997 Annual Rental Market Survey was conducted March 17-23 by the Alaska Department of Labor for the Alaska Housing Finance Corporation (AHFC). Landlords of over 18,500 rental units (single-family residence or apartment) were surveyed in nine areas of the state. They were asked to provide rental cost, utility type, and vacancy status for their rental properties. Information on landlords was obtained through multiple sources, including tax logs, and newspapers.

Results of the survey show that overall, statewide vacancy rates have decreased. Regionally, Anchorage and Fairbanks reported decreases in vacancy rates, while Ketchikan, Sitka, and Juneau reported increases. The Average Contract Rent has remained stable the last three years. Rents adjusted for utilities in the rental price have also remained stable in this same period.

Vacancy Rate Tightens in 1997

Table 5-1, Figure 5-1

Survey results on a statewide basis show the rental market tightening in 1997. The statewide vacancy rate decreased from the prior years, 7.0% to 6.0%. The drop in vacancy rates reflects a national trend where rates for all rental units decreased from 7.9% in the prior-year quarter to 7.5% for the first quarter of 1997. The Western region of the United States also reported declining vacancy rates, from 7.6% a year ago to 6.2%.

Alaska vacancy rates were mixed regionally, with five regions reporting lower rates and four with higher rates than the prior year:

- Anchorage saw its total rental vacancy rate drop from 7.8% to 6.6%
- The Fairbanks vacancy rate declined from 10.4% to 7.1%, however, much of this variation can be attributed to the increase in landlord participation in 1997.
- Mat-Su had the lowest vacancy rate in the state at 2.3% in 1997, down from last year's 3.2% due partially to displaced homeowners forced to rent after the Big Lake fire.

Vacancy Rates and Average Contract Rents

All Units, Selected Boroughs and Census Areas

1997

Table 5-1

								Percent Units with Utilities Included in Contract Rent					
Borough or Census Area (CA)	Average		Median		Units	Units	Vacancy						
	Rent		Rent		Surveyed	Vacant	Rate	Heat	Lights	Hot	Water	Sewer	Garbage
	Contract	Adjusted	Contract	Adjusted									
Anchorage Borough	\$657	\$686	\$630	\$654	8,665	570	6.6%	80.9%	28.8%	84.5%	94.1%	92.7%	93.2%
Fairbanks North Star Borough	\$636	\$669	\$625	\$652	3,579	254	7.1%	93.3%	18.2%	80.2%	94.1%	94.1%	88.2%
Juneau Borough	\$814	\$880	\$800	\$873	1,702	53	3.1%	63.6%	15.1%	62.5%	95.0%	97.8%	91.4%
Kenai Peninsula Borough	\$594	\$649	\$575	\$627	1,329	59	4.4%	77.8%	20.9%	77.0%	86.8%	86.0%	75.5%
Ketchikan Gateway Borough	\$681	\$756	\$633	\$715	859	66	7.7%	71.1%	24.6%	60.2%	58.7%	61.6%	59.7%
Kodiak Island Borough	\$833	\$893	\$800	\$930	404	26	6.4%	75.0%	19.3%	76.0%	89.9%	91.1%	91.3%
Matanuska-Susitna Borough	\$620	\$682	\$600	\$650	1,179	27	2.3%	60.6%	15.6%	58.4%	83.0%	84.0%	71.8%
Sitka Borough	\$717	\$857	\$675	\$794	398	31	7.8%	44.7%	9.0%	38.2%	26.9%	25.9%	24.9%
Wrangell-Petersburg CA	\$612	\$683	\$600	\$675	283	20	7.1%	71.7%	38.9%	65.7%	61.1%	52.7%	50.9%
Statewide	\$668	\$711	\$650	\$675	18,532	1,112	6.0%	78.8%	23.4%	77.0%	89.3%	88.0%	85.7%

Note: Includes mobile homes.

Source: Alaska Department of Labor, Research and Analysis Section.



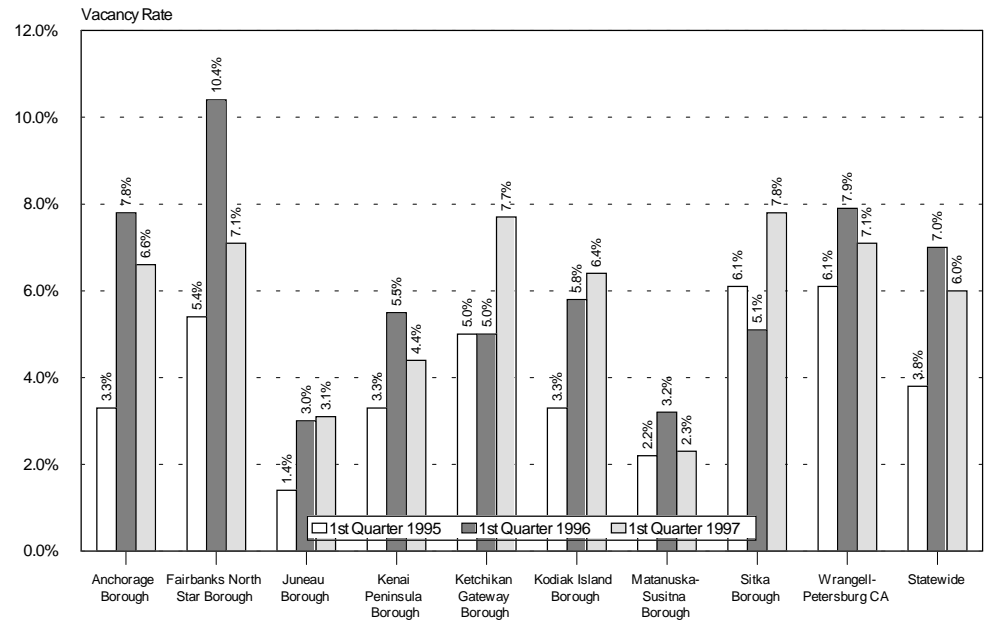
Vacancy Rates

All Units, Selected Boroughs and Census Areas

First Quarter - 1995, 1996, & 1997

Figure 5-1

Source: Alaska Department of Labor,
Research and Analysis Section, 1997
Alaska Rental Survey.



- Kenai (5.5% to 4.4%) and Wrangell-Petersburg (7.9% to 7.1%) reported drops in their vacancy rates as well.
- Ketchikan, although it has not yet experienced the full brunt of the recent mill closure, saw vacancy rates rose from 5.0% to 7.7%.
- The Sitka rental market saw vacancy rates climb from 5.1% in 1996 to 7.8%—the highest vacancy rate of the surveyed regions.
- Vacancy rates rose incrementally in Juneau from 3.0% to 3.1%—a significant rise from the 0.8% rate of three years ago.

Contract Rents Rose In Most Areas

Figure 5-2

The contract rent represents the actual rent paid by the tenant, and may include some utilities within the price. The statewide average contract rent has remained within a three-dollar range for the past three years, rising from \$666 in 1995 to \$669 last year then falling to \$668 in 1997. Contract rents for single-family residences increased 4.0%, from \$755 in 1996 to \$785, while apartment rents fell from \$660 in 1996 to \$656, or 0.6%. All surveyed areas of the state reported higher contract rents except Anchorage. However, Anchorage comprised a major portion of rental units in the survey and inflated the overall statewide average from the prior year.

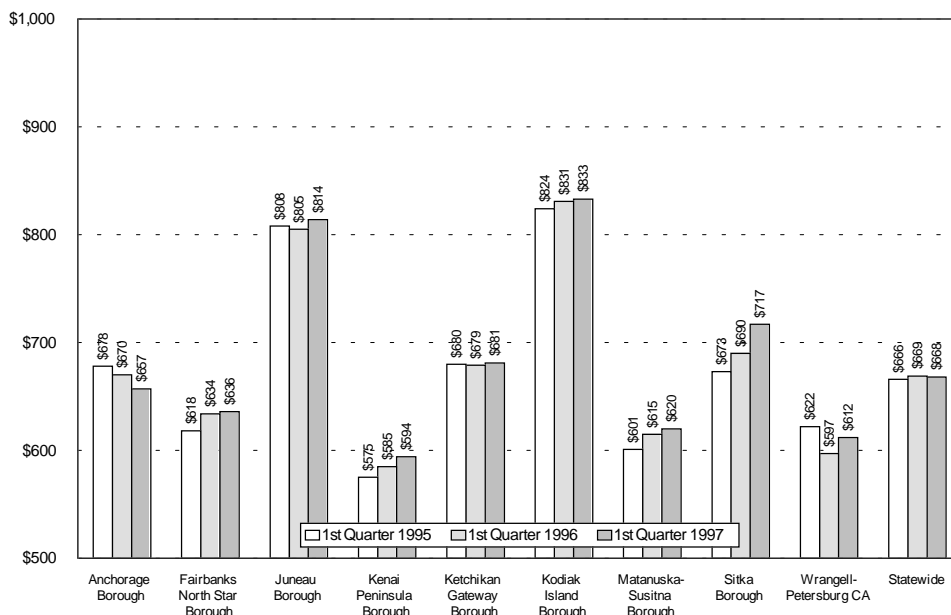
- In Anchorage, contract rent fell from \$670 to \$657.
- Kodiak and Juneau reported the highest average contract rents of \$833 and \$814, respectively.
- The lowest average rents were reported for Kenai (\$594) and Wrangell-Petersburg (\$612).

Average Contract Rents

All Units, Selected Boroughs and Census Areas

First Quarter - 1995, 1996, 1997

Figure 5-2



Source: Alaska Department of Labor, Research and Analysis Section, 1997 Alaska Rental Survey.

Rents Adjusted By Utility Schedule

Table 5-2

Using a utility schedule for Alaska provided by the Alaska Housing Finance Corporation, all contract rents were adjusted to subsequently reflect what the rent would have been if all utilities were included in the contract price. As a result, the adjusted rent provides the theoretical value for comparative purposes. There were significant differences in costs among rental units due to the types of utilities included in the rental price.

- The average statewide adjusted rent has fallen from \$713 in 1996 to \$711 during 1997.
- Adjusted rents for single-family residences increased 3.2% from \$870 in 1996 to \$898 in 1997.
- Apartment rents fell from \$696 in 1996 to \$692, or 0.6%

Premiums On Bedroom Number

Table 5-2 and 5-3

Bedroom premiums increased from the prior year for two- and three-bedroom categories, but declined for four-bedroom units. Single-family homes had a median adjusted rent of \$850, higher than the prior year's \$843. Apartments fell slightly from \$672 to \$670.

- Comparing the median adjusted rent for single-family homes, two-bedroom units were \$165 more than a one-bedroom unit.
- Four-bedroom units were higher than three-bedrooms by \$181.
- Median adjusted rent for a one-bedroom apartment was \$138 more expensive than an efficiency.

Single-Family Rental Cost and Vacancy Rates

Selected Boroughs and Census Areas

Table 5-2

1997

								Percentage of Units with Utilities Included in Contract Rent						
	Average Rent		Median Rent		Units		Vacancy Rate		Heat	Lights	Hot Water	Water	Sewer	Garbage
	Contract	Adjusted	Contract	Adjusted	Surveyed	Vacant								
Anchorage Borough														
1 Bedroom	\$499	\$553	\$450	\$537	23	3	13.0%		39.1%	47.8%	52.2%	69.6%	82.6%	69.6%
2 Bedroom	\$655	\$720	\$650	\$729	118	5	4.2%		12.7%	8.5%	12.7%	83.9%	84.7%	76.3%
3 Bedroom	\$985	\$1,088	\$975	\$1,098	149	5	3.4%		8.7%	7.4%	12.1%	51.0%	50.3%	41.6%
4 Bedroom	\$1,205	\$1,331	\$1,200	\$1,296	39	2	5.1%		7.7%	7.7%	12.8%	35.9%	38.5%	38.5%
Fairbanks North Star Borough														
1 Bedroom	\$513	\$587	\$500	\$554	74	4	5.4%		52.7%	13.5%	39.2%	60.8%	64.9%	56.8%
2 Bedroom	\$690	\$777	\$650	\$765	136	11	8.1%		53.7%	22.8%	47.8%	66.9%	67.6%	48.5%
3 Bedroom	\$961	\$1,102	\$967	\$1,094	126	8	6.3%		29.4%	0.8%	27.0%	58.7%	58.7%	37.3%
4 Bedroom	\$1,093	\$1,272	\$1,100	\$1,286	32	0	0.0%		31.3%	3.1%	21.9%	34.4%	40.6%	25.0%
Juneau Borough														
1 Bedroom	\$649	\$725	\$700	\$766	26	2	7.7%		50.0%	34.6%	42.3%	88.5%	88.5%	53.8%
2 Bedroom	\$855	\$974	\$875	\$997	53	2	3.8%		24.5%	9.4%	18.9%	92.5%	92.5%	24.5%
3 Bedroom	\$1,156	\$1,279	\$1,150	\$1,266	60	1	1.7%		16.7%	10.0%	11.7%	95.0%	95.0%	51.7%
Kenai Peninsula Borough														
1 Bedroom	\$474	\$548	\$495	\$560	47	2	4.3%		61.7%	40.4%	51.1%	68.1%	66.0%	48.9%
2 Bedroom	\$601	\$730	\$600	\$735	65	8	12.3%		23.1%	10.8%	20.0%	43.1%	43.1%	18.5%
3 Bedroom	\$722	\$845	\$700	\$875	64	0	0.0%		21.9%	6.3%	17.2%	50.0%	46.9%	17.2%
4 Bedroom	\$814	\$1,007	\$825	\$1,022	14	0	0.0%		0.0%	0.0%	0.0%	28.6%	35.7%	0.0%
Ketchikan Gateway Borough														
1 Bedroom	\$566	\$660	\$600	\$676	31	2	6.5%		32.3%	25.8%	32.3%	61.3%	61.3%	58.1%
2 Bedroom	\$771	\$895	\$739	\$892	30	2	6.7%		40.0%	16.7%	20.0%	33.3%	33.3%	40.0%
3 Bedroom	\$956	\$1,084	\$975	\$1,118	32	3	9.4%		37.5%	31.3%	31.3%	40.6%	46.9%	31.3%
4 Bedroom	\$904	\$1,125	\$825	\$1,085	12	1	8.3%		16.7%	0.0%	8.3%	8.3%	16.7%	16.7%
Kodiak Island Borough														
1 Bedroom	\$613	\$694	\$650	\$679	15	1	6.7%		40.0%	33.3%	40.0%	73.3%	80.0%	80.0%
2 Bedroom	\$851	\$959	\$850	\$939	14	1	7.1%		35.7%	7.1%	50.0%	78.6%	78.6%	85.7%
3 Bedroom	\$1,002	\$1,160	\$1,000	\$1,137	25	1	4.0%		4.0%	8.0%	28.0%	88.0%	84.0%	80.0%
Matanuska-Susitna Borough														
1 Bedroom	\$485	\$553	\$450	\$550	33	2	6.1%		36.4%	36.4%	36.4%	75.8%	87.9%	51.5%
2 Bedroom	\$646	\$746	\$650	\$755	75	2	2.7%		12.0%	9.3%	12.0%	62.7%	70.7%	25.3%
3 Bedroom	\$837	\$966	\$850	\$964	123	1	0.8%		3.3%	3.3%	3.3%	61.0%	54.5%	6.5%
4 Bedroom	\$960	\$1,126	\$975	\$1,166	22	1	4.5%		4.5%	4.5%	13.6%	68.2%	54.5%	0.0%
Sitka Borough														
1 Bedroom	\$584	\$725	\$550	\$695	22	3	13.6%		27.3%	13.6%	22.7%	13.6%	13.6%	13.6%
2 Bedroom	\$680	\$849	\$655	\$843	33	2	6.1%		18.2%	6.1%	12.1%	12.1%	12.1%	12.1%
3 Bedroom	\$832	\$1,049	\$800	\$1,021	28	5	17.9%		0.0%	0.0%	3.6%	0.0%	0.0%	0.0%
Wrangell-Petersburg CA														
1 Bedroom	\$473	\$544	\$475	\$532	29	5	17.2%		58.6%	27.6%	55.2%	69.0%	55.2%	41.4%
2 Bedroom	\$580	\$708	\$632	\$720	29	1	3.4%		27.6%	6.9%	27.6%	37.9%	24.1%	20.7%
3 Bedroom	\$670	\$793	\$675	\$786	16	1	6.3%		43.8%	12.5%	31.3%	31.3%	25.0%	18.8%
Statewide	\$785	\$898	\$750	\$850	1,686	95	5.6%		26.1%	13.3%	24.1%	58.8%	59.0%	38.1%

Source: Alaska Department of Labor,
Research and Analysis Section,
1997 Alaska Rental Survey.

Apartment Rental Cost and Vacancy Rates

Selected Boroughs and Census Areas

1997

Table 5-3

								Percentage of Units with Utilities Included in Contract Rent						
	Average Rent		Median Rent		Units		Vacancy Rate		Heat	Lights	Hot Water	Water	Sewer	Garbage
	Contract	Adjusted	Contract	Adjusted	Surveyed	Vacant								
Anchorage Borough														
0 Bedroom	\$460	\$470	\$450	\$462	719	70	9.7%		96.0%	52.0%	95.8%	97.4%	95.5%	96.5%
1 Bedroom	\$563	\$585	\$550	\$583	3,005	215	7.2%		86.7%	28.1%	92.6%	95.0%	91.8%	95.0%
2 Bedroom	\$701	\$731	\$700	\$725	3,615	212	5.9%		81.7%	25.9%	84.8%	95.0%	94.6%	94.6%
3 Bedroom	\$839	\$878	\$825	\$850	890	49	5.5%		71.1%	26.3%	73.1%	97.2%	96.5%	93.3%
4 Bedroom	\$1,000	\$1,020	\$980	\$980	99	9	9.1%		87.9%	76.8%	89.9%	94.9%	96.0%	91.9%
Fairbanks North Star Borough														
0 Bedroom	\$388	\$393	\$395	\$395	328	29	8.8%		100.0%	62.8%	100.0%	100.0%	100.0%	98.5%
1 Bedroom	\$533	\$550	\$510	\$527	1,187	80	6.7%		99.0%	17.7%	94.2%	98.0%	97.7%	97.2%
2 Bedroom	\$680	\$709	\$655	\$707	1,298	87	6.7%		99.4%	11.9%	79.8%	98.2%	98.2%	91.1%
3 Bedroom	\$845	\$890	\$850	\$900	359	34	9.5%		98.9%	6.1%	62.4%	97.5%	96.4%	87.5%
4 Bedroom	\$1,160	\$1,218	\$1,095	\$1,165	22	1	4.5%		90.9%	31.8%	77.3%	86.4%	86.4%	50.0%
Juneau Borough														
0 Bedroom	\$566	\$581	\$565	\$578	153	15	9.8%		93.5%	22.2%	96.1%	100.0%	100.0%	100.0%
1 Bedroom	\$701	\$748	\$690	\$754	522	17	3.3%		69.9%	23.9%	72.8%	99.8%	99.8%	99.0%
2 Bedroom	\$866	\$954	\$850	\$973	687	11	1.6%		53.6%	8.2%	51.5%	90.4%	96.5%	94.6%
3 Bedroom	\$1,018	\$1,068	\$950	\$1,002	165	3	1.8%		87.9%	9.7%	78.2%	97.0%	99.4%	90.3%
4 Bedroom	\$1,036	\$1,075	\$903	\$940	25	1	4.0%		96.0%	16.0%	96.0%	96.0%	96.0%	96.0%
Kenai Peninsula Borough														
0 Bedroom	\$417	\$424	\$475	\$475	11	0	0.0%		100.0%	63.6%	90.9%	100.0%	100.0%	100.0%
1 Bedroom	\$512	\$542	\$475	\$502	320	6	1.9%		92.8%	34.4%	90.9%	95.3%	95.3%	82.8%
2 Bedroom	\$592	\$644	\$581	\$625	608	33	5.4%		83.2%	17.3%	84.7%	93.1%	91.9%	84.9%
3 Bedroom	\$700	\$745	\$675	\$709	184	10	5.4%		84.2%	12.0%	82.6%	90.2%	89.7%	87.0%
Ketchikan Gateway Borough														
0 Bedroom	\$452	\$475	\$480	\$500	84	3	3.6%		92.9%	33.3%	92.9%	91.7%	84.5%	82.1%
1 Bedroom	\$562	\$626	\$550	\$619	272	32	11.8%		73.2%	28.3%	64.3%	57.4%	60.7%	61.8%
2 Bedroom	\$716	\$787	\$750	\$805	284	15	5.3%		78.2%	16.9%	64.4%	56.7%	64.1%	62.3%
3 Bedroom	\$953	\$1,057	\$950	\$1,021	87	5	5.7%		70.1%	27.6%	46.0%	55.2%	52.9%	46.0%
Kodiak Island Borough														
0 Bedroom	\$455	\$455	\$450	\$450	16	0	0.0%		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1 Bedroom	\$739	\$773	\$675	\$731	147	5	3.4%		92.5%	15.6%	93.2%	95.9%	97.3%	97.3%
2 Bedroom	\$847	\$912	\$800	\$946	138	14	10.1%		73.9%	18.8%	69.6%	86.2%	86.2%	87.0%
3 Bedroom	\$1,137	\$1,199	\$1,150	\$1,198	36	3	8.3%		88.9%	5.6%	88.9%	86.1%	94.4%	94.4%
Matanuska-Susitna Borough														
0 Bedroom	\$400	\$411	\$425	\$439	32	2	6.3%		100.0%	25.0%	100.0%	100.0%	100.0%	100.0%
1 Bedroom	\$536	\$583	\$475	\$540	245	2	0.8%		72.2%	28.2%	63.3%	85.7%	80.8%	80.0%
2 Bedroom	\$596	\$646	\$600	\$637	570	14	2.5%		74.0%	13.0%	74.0%	89.5%	93.2%	89.5%
3 Bedroom	\$724	\$770	\$740	\$766	74	3	4.1%		74.3%	12.2%	70.3%	83.8%	87.8%	83.8%
Sitka Borough														
1 Bedroom	\$583	\$676	\$573	\$692	114	10	8.8%		65.8%	12.3%	64.9%	43.9%	41.2%	41.2%
2 Bedroom	\$685	\$836	\$700	\$821	124	7	5.6%		47.6%	3.2%	29.8%	18.5%	16.1%	16.9%
3 Bedroom	\$950	\$1,101	\$950	\$1,057	59	4	6.8%		44.1%	15.3%	40.7%	37.3%	39.0%	33.9%
Valdez-Cordova CA														
1 Bedroom	\$680	\$708	\$650	\$683	23	0	0.0%		100.0%	17.4%	100.0%	100.0%	100.0%	100.0%
2 Bedroom	\$842	\$876	\$800	\$842	89	4	4.5%		100.0%	19.1%	100.0%	100.0%	100.0%	100.0%
3 Bedroom	\$1,126	\$1,132	\$1,175	\$1,175	17	2	11.8%		100.0%	88.2%	100.0%	100.0%	100.0%	100.0%
Wrangell-Petersburg CA														
1 Bedroom	\$604	\$624	\$525	\$568	97	3	3.1%		99.0%	69.1%	92.8%	87.6%	79.4%	80.4%
2 Bedroom	\$656	\$748	\$689	\$689	86	6	7.0%		70.9%	24.4%	60.5%	46.5%	37.2%	39.5%
3 Bedroom	\$761	\$846	\$831	\$831	17	1	5.9%		58.8%	47.1%	58.8%	47.1%	58.8%	47.1%
Statewide	\$656	\$692	\$640	\$670	16,846	1,017	6.0%		84.1%	24.4%	82.3%	92.4%	91.9%	90.5%

Source: Alaska Department of Labor,
Research and Analysis Section,
1997 Alaska Rental Survey.